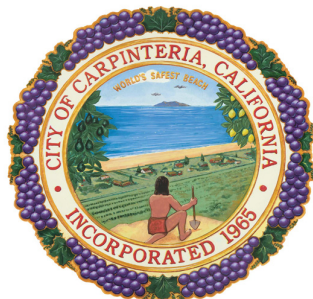


2021 Carpinteria Valley Economic Profile



The 2021 Carpinteria Valley Economic Profile

Volume 5

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Prepared for:



City of Carpinteria
5775 Carpinteria Avenue
Carpinteria, CA 93013
(805) 684-5405

Prepared by:



The California Economic Forecast
Mark Schniepp, Director
5385 Hollister Avenue, Box 207
Santa Barbara, California 93111
(805) 692-2498
mark@californiaforecast.com



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EXECUTIVE SUMMARY

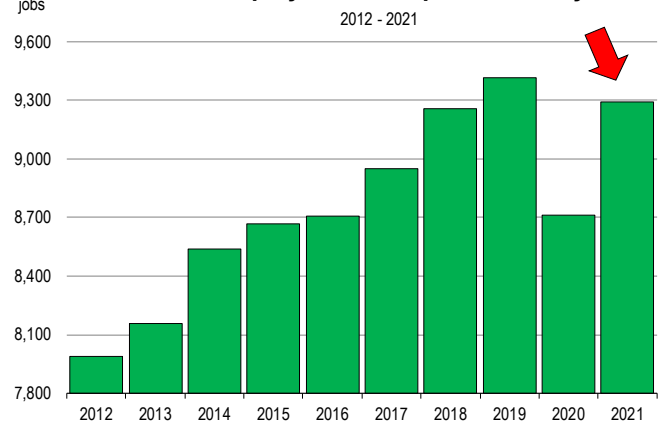


Overview

The Carpinteria Valley is home to 20,340 residents. The community has evolved to become a diverse economy consisting of growing tech companies, manufacturers, and financial services firms. Software and IT development has flourished in recent years, as has the visitor serving sector.

Carpinteria is a meaningful employment center. The number of workers located in Carpinteria exceeds the number of residents in the Valley's labor force. Many workers commute from Santa Barbara, Oxnard and Ventura. The agriculture sector employs more people than any other industry, followed by manufacturing, the production of information (software), and the hotel and food services sector.

Total Employment / Carpinteria Valley



Just over 700 jobs were lost in the Carpinteria Valley labor market in 2020, a direct consequence of the pandemic. By mid-2021, most of these jobs had been restored, and full reinstatement of the workforce should be complete by mid 2022.



Carpinteria Bluffs

The largest pandemic related impact occurred in the Hotel and Restaurant sectors. The Accommodation and Food services sector is in the process of a rapid recovery during 2021 because the volume of visitor travel has been higher than expected throughout California since the state opened up entirely in June 2021.

Procore Technologies and Agilent are expected to create more new positions this year and next as the economy ramps up towards full employment. Jobs have already expanded in most sectors, but especially in Technology, Agriculture, Leisure and Hospitality, Retail Trade, and Construction.

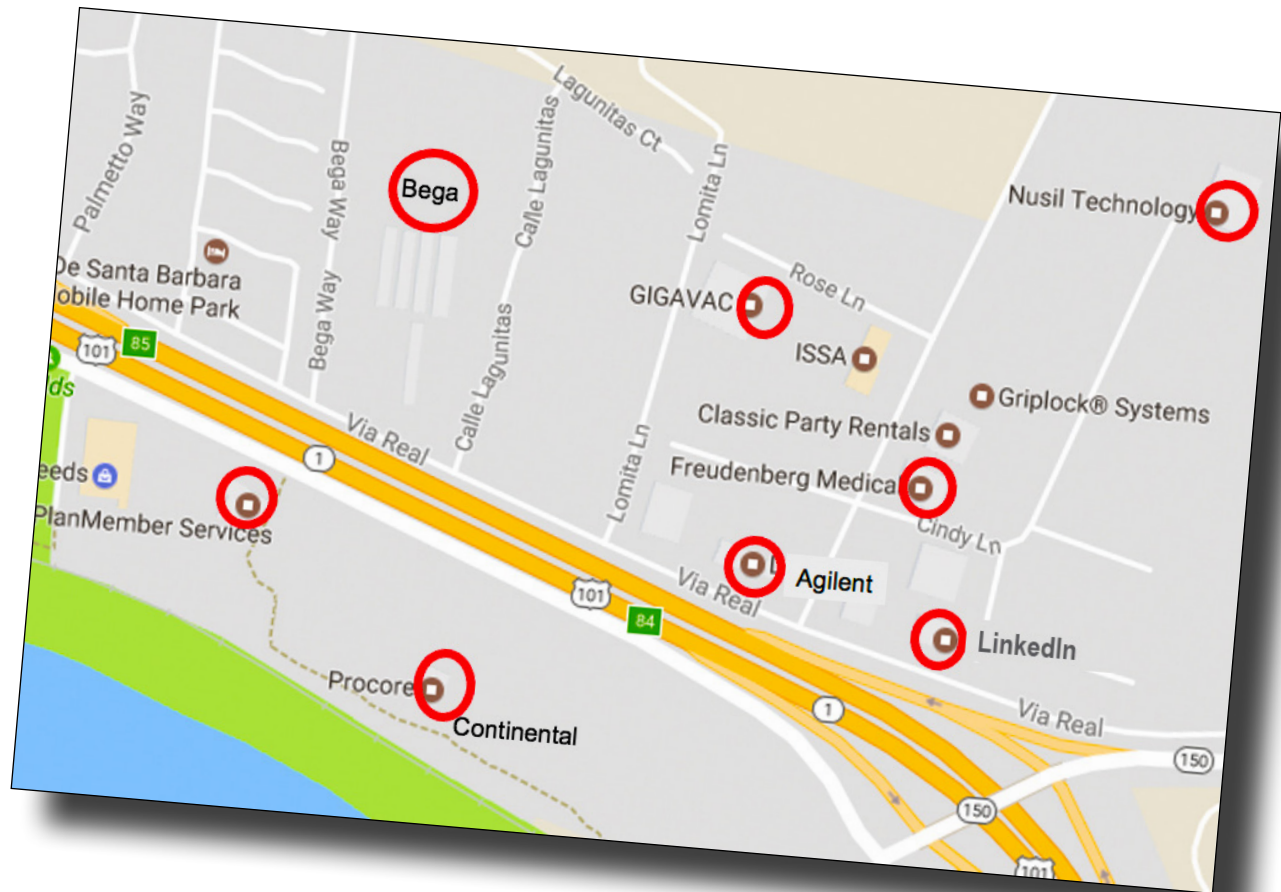
In August 2021, the unemployment rate was estimated at 4.9 percent. The largest employer in the Valley is Procore followed by Agilent, the Carpinteria Unified School District, LinkedIn, and NuSil Silicone Technology.

In 2021, the median household income in City of Carpinteria was \$87,000. More than 40 percent of households earned \$100,000 or more.

Because high-skilled industries are heavily represented in the Carpinteria labor market, the region has a prominent share of residents with college degrees. 21 percent of the population aged 25 and older have a bachelor's degree, and 14 percent have an advanced degree.



Procore Office



Largest Employers in the Carpinteria Valley

Tourism

The presence of visitors and their spending represents a significant contribution to the Carpinteria Valley economy. Tourism generates substantial revenues for the city's general fund, supports a significant number of jobs, and contributes more than half of all retail sales transactions in the City of Carpinteria at local shops, restaurants, recreational sites, and gasoline stations.

The State Beach attracted an estimated 891,000 visitors in 2018. These visitors spend approximately \$30 million annually in Carpinteria.

There are seven formal transient lodging facilities with 611 rooms in the region. Though occupancy rates are still below the pre-pandemic period, they have impressively rebounded as more visitors return to traditional coastal California destinations for leisure travel.

Annual room sales are now on a pace to record new highs in the city during fiscal year 2021-22.

The City of Carpinteria's short term visitor rental industry has evolved in recent years, expanding to include 202 revenue reporting properties in 2021. These alternative transient stay homes are on pace to generate \$12.4 million in total revenues, and \$1.5 million to the city budget through transient occupancy taxes.



The Spot is a popular burger stand on Linden serving both residents and visitors for over 50 years.

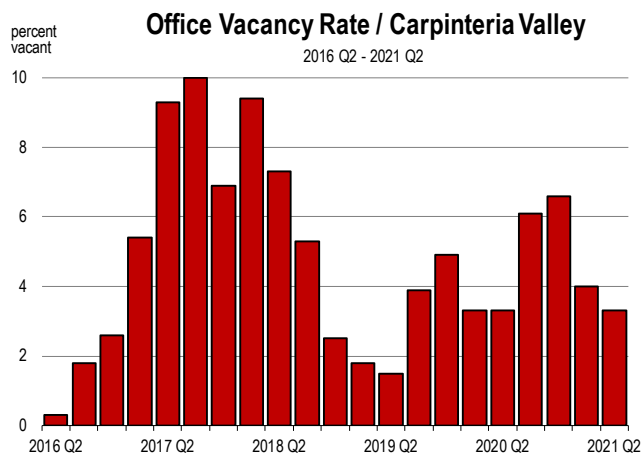
The annual California Avocado Festival held in October is the largest community event in Carpinteria. It is estimated that the three day celebration of the avocado with food and merchandise booths, contests, and entertainment, attracts 80,000 visitors to the city.

Due to the pandemic, the festival was not held in 2020 or 2021.

Commercial Real Estate

All categories of commercial real estate are currently reporting very high utilization.





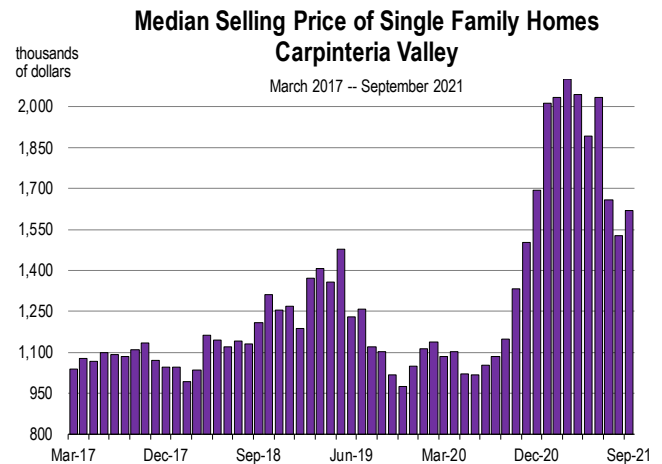
Consequently, as the local economy rapidly recovers from the pandemic recession, there is little excess space available in Carpinteria.

Industrial building space includes 1.3 million square feet in the Valley with a vacancy rate at 3.6 percent. In the office market, there is approximately 475,000 square feet of space with a vacancy rate of 3.3 percent.

For many years, the Carpinteria Valley industrial sector has been a strong competitor for neighboring cities, like Santa Barbara, Goleta, and Ventura. Manufacturing and technology are the most important sectors of the Carpinteria Valley economy, and the high rates of both office and industrial market utilization are a testament to the strength of the Carpinteria Valley as a desirable business location along the Central Coast.

Residential Real Estate

Over the last 3 years, housing demand has been prolific in Santa Barbara County and Carpinteria. During the pandemic, home sales and selling values soared throughout the state and local



areas. Currently, selling values for homes are at their highest levels on record.

The existing for-sale housing market offers few properties for sale per year, and the 2021 market has been the most limited on record. Nevertheless, sales have been prolific, for both single family attached and detached (condominium) homes.

The median selling value of a single family home in Carpinteria during 2021 was \$1.7 million, an increase of 35 percent over the median selling value of all homes sold in 2020.

New Housing Development

The construction of new homes has been sparse over the last decade. The relative lack of new housing units has helped to ensure that the region remains small, though traffic congestion on Highway 101 is intensified by limited worker housing. Furthermore, retail stores and services must rely more on visitor spending than resident spending. The former is more volatile during the year, peaking in the summer months and diminishing during the winter months.

Currently, the new residential project pipeline has 103 residential units in some stage of the planning process, and 77 of these units have been approved.

There is also 234,797 square feet of commercial and industrial space in the pipeline, with 102,170 square feet of space approved.

The Cannabis Sector

The Carpinteria Valley had been referred to as “California’s flower basket.” The region’s greenhouse industry, which is just outside of the city limits, was one of the largest in the state, producing millions of dollars in flower sales each year.

Cannabis cultivation has now replaced most of the greenhouse flower production. The conversion to cannabis is easier in Carpinteria because the indoor growing infrastructure is largely in place with many of the fixed costs already incurred and depreciated.

Currently, as of September 2021, there were 29 growers with 309 active cannabis cultivation permits in the Carpinteria Valley. Approximately 20 percent of the total cannabis harvest in Santa Barbara County is attributed to Carpinteria Valley growers.

Although the cannabis industry operates outside of the city limits, a vibrant cannabis industry has been beneficial to the city’s economy by creating new customers for local goods and services and contributing to city tax revenue.



Cannabis Greenhouse in the Carpinteria Valley

Quality of Life

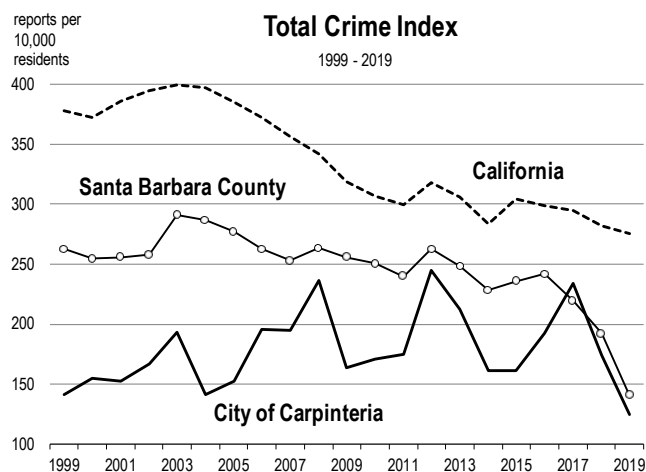
Regional economic conditions are influenced by many community lifestyle factors. Residents of the Carpinteria Valley enjoy a relatively high standard of living, and 39 percent of the population has a 4 year college degree or higher.

For the greater Santa Barbara County area, the median household income is slightly less and 33 percent of the population owns a bachelor's degree or higher.

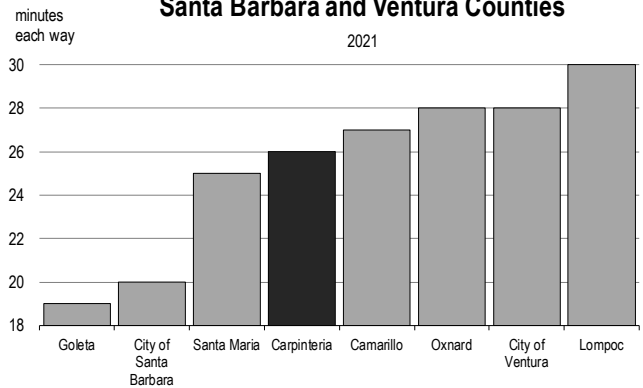
Crime rates in Carpinteria have been very low since the late 1990s. They are among the lowest levels observed in Santa Barbara County, and are significantly lower than those that prevail across California.

At Carpinteria Senior High, students that took the SAT in the 2019-2020 school year had average test scores that were higher than the average for all students across California.

Carpinteria routinely has much lower levels of road usage than surrounding communities, and



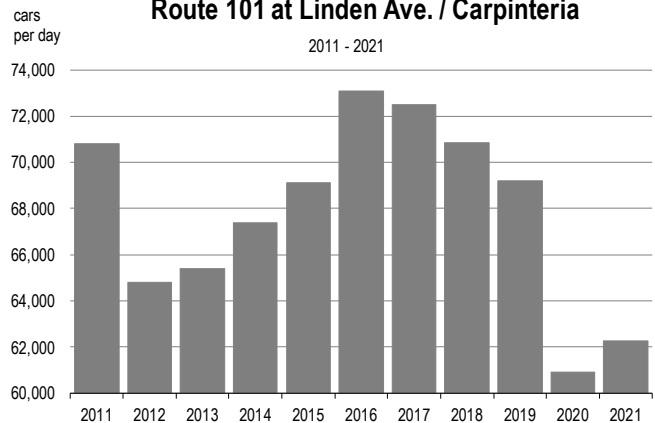
**Average Commute Times for
Selected Cities in
Santa Barbara and Ventura Counties**



during most times of the day, driving around the city is relatively easy. But peak hour traffic can be heavy, and people who commute into or out of the city can encounter high levels of congestion. For residents of the Valley, commute times to work have increased since 2016. This issue has been exacerbated by the current widening of Highway 101 through Carpinteria.

Once the Highway 101 construction phases in Carpinteria are completed in 2022, it is expected that peak hour congestion will improve significantly around the city.

**Average Daily Traffic Count
Route 101 at Linden Ave. / Carpinteria**



DEMOGRAPHICS



Demographic trends can be highly influential for regional economies.

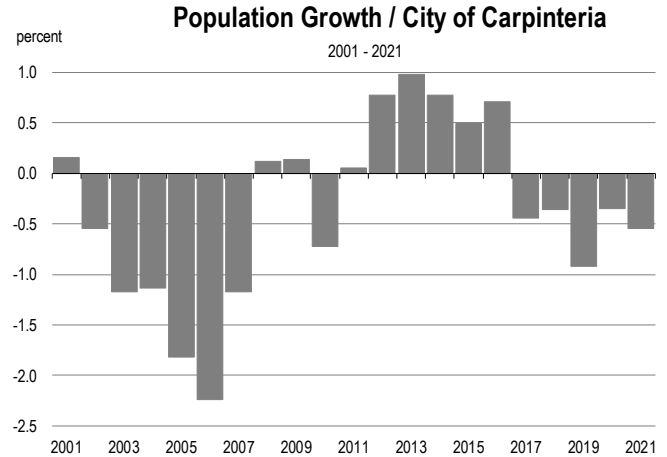
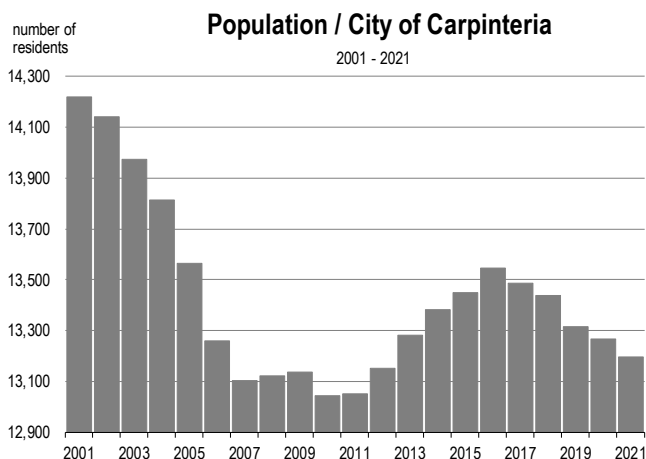
Population growth is an important driver of economic activity, as it typically results in a larger income pool and greater consumer spending, which brings new customers to local businesses. It also creates demand for housing, which can spur the construction industry and lead to gains in property tax revenue.

Income is strongly related to educational attainment, and regions with a highly trained workforce often have a larger share of individuals in the upper income categories.

Population Growth

The Carpinteria population is now declining, with the City of Carpinteria losing approximately 70 residents in 2021.

In 2021, the City had 13,196 residents, matching population levels last observed in 2012.



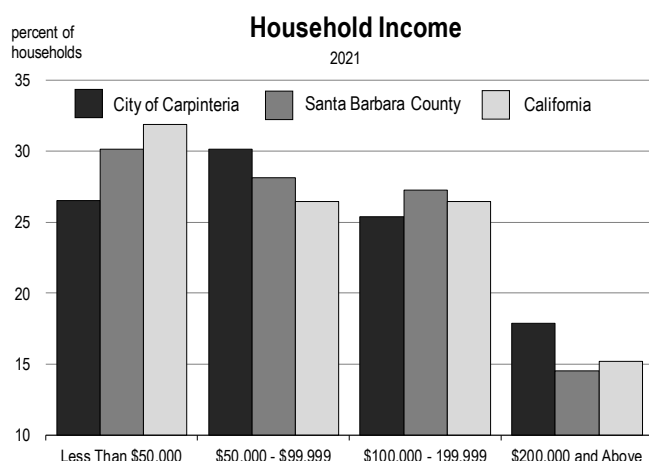
The population has been shrinking since 2016. Between 2016 and 2021, the overall population fell by approximately 350 residents as rising home prices resulted in a meaningful trend of out-migration.

Housing prices have become a serious issue that have limited population growth and have made it difficult for low-income households to live in Carpinteria.

The population of the entire Carpinteria Valley, which includes the City of Carpinteria and the surrounding unincorporated area, was 20,340 residents in 2021.

Household Income

- The Carpinteria Valley has evolved as a relatively affluent area where residents report higher incomes than the average California or average Santa Barbara County resident.



- In 2021, the median household income in the City of Carpinteria was \$86,944, which was higher than Santa Barbara County (\$83,714) or California (\$82,053).
- More than 40 percent of households earned \$100,000 or more. An unusually high share (almost 18 percent) earned more than \$200,000.
- Carpinteria also has a flatter distribution of income than California or Santa Barbara County. Carpinteria has a larger share of households with incomes between \$50,000 and \$199,999 and a lower share of households with incomes below \$50,000.

- Housing costs in Southern Santa Barbara County, including Carpinteria, have come to influence the distribution of income in the resident population. Because housing affordability remains a growing issue, higher income households are better able to obtain housing in the region. Over time, higher income households have moved into Carpinteria and some low income households have migrated elsewhere.

Education

- According to Claritas, a demographic data company, 21 percent of residents aged 25 and older have a bachelor's degree in the City of Carpinteria, and 14 percent have an advanced degree.
- Across Santa Barbara County, 20 percent of residents have a bachelor's degree and 15 percent have an advanced degree.
- Statewide, 21 percent of the population has a bachelor's degree and 13 percent has an advanced degree.

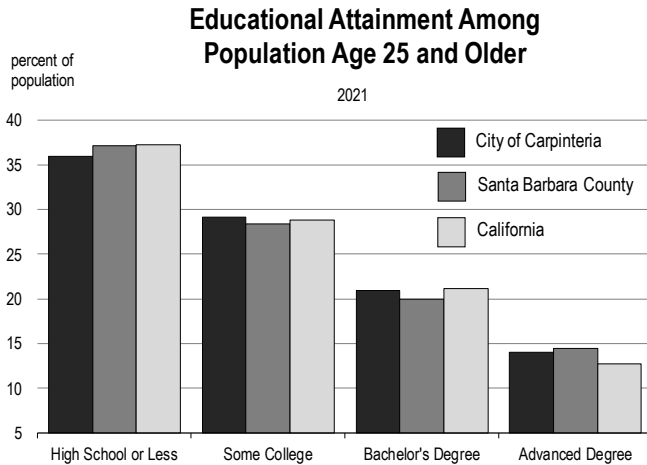
Demographic Snapshot

Carpinteria 2021

| | Population | Population Change Since 2010 (%) | Population in Labor Force (%) | Population in Poverty (%) | Median Household Income (\$) | Population with 4-Year Degree or Higher (%) |
|----------------------|------------|----------------------------------|-------------------------------|---------------------------|------------------------------|---|
| City of Carpinteria | 13,196 | 1.2 | 53.9 | 3.9 | 86,944 | 34.9 |
| Santa Barbara County | 441,172 | 4.1 | 50.6 | 7.3 | 83,714 | 34.5 |
| California | 39,466,855 | 5.9 | 50.7 | 9.4 | 82,053 | 33.9 |

| | Population Age 5-17 (%) | Population Age 25-64 (%) | Population Age 65+ (%) |
|----------------------|-------------------------|--------------------------|------------------------|
| City of Carpinteria | 2,065 15.7 | 6,739 51.1 | 2,469 18.7 |
| Santa Barbara County | 72,088 16.3 | 207,527 47.0 | 70,411 16.0 |
| California | 6,476,511 16.4 | 20,905,593 53.0 | 6,010,802 15.2 |

Source: California Department of Finance, Claritas, California Economic Forecast



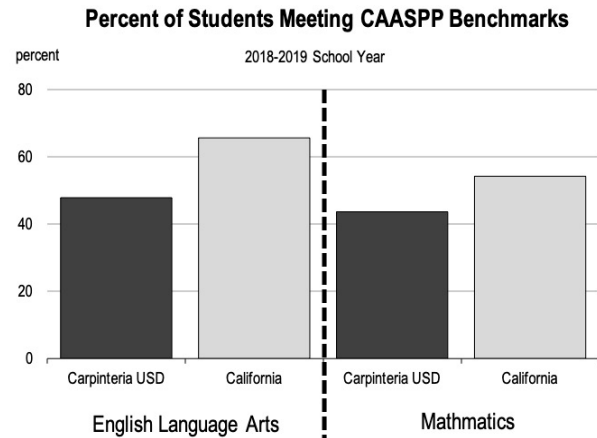
- Approximately 29 percent of Carpinteria residents have earned an associate's degree or have attended some college classes without graduating, while 36 percent have a high school diploma or less.

California schools now administer the CAASPP exam – a replacement system for the old California Standard Test (CST).

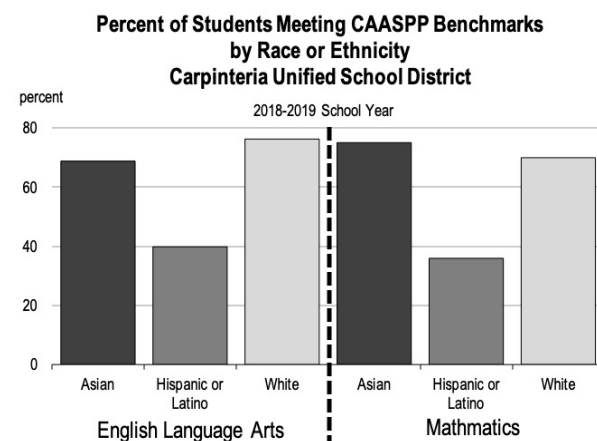
The State of California has established benchmarks for student scores, and schools can be evaluated by the rate at which their students pass these benchmarks.

Because testing was disrupted during the coronavirus pandemic, the most recently available data is for the 2018-2019 school year.

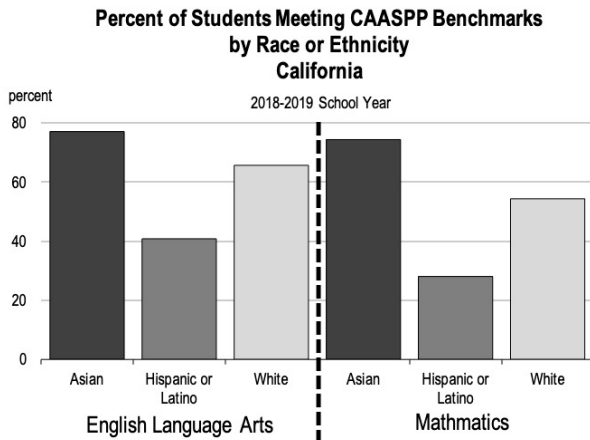
- On the English Language Arts portion of the CAASPP, approximately 48 percent of students met testing benchmarks in the Carpinteria USD, according to the California Department of Education.
- Across California, 66 percent of students met benchmarks on the English Language Arts test.



- Approximately 44 percent of students met Math benchmarks in the Carpinteria USD, while 54 percent met benchmarks statewide.
- Testing results varied by race and ethnicity. In the Carpinteria USD, more than 65 percent of Asian and White students met benchmarks in English Language Arts, while approximately 40 percent of Hispanic or Latino students met the benchmarks.¹
- In Math, at least 70 percent of Asian and White students met benchmarks at Carpinteria USD, compared to 36 percent of Hispanic or Latino students.



¹ The California Department of Education only provides data for the White, Asian, and Hispanic/Latino groups for the Carpinteria Unified School District for the CAASPP.



- Statewide, Asian students met benchmarks at higher rates than White or Hispanic/Latino students on both tests.

The SAT is a standardized test taken by juniors and seniors in high school, and it is generally a requirement for four-year colleges and universities.

According to the California Department of Education, 31 percent of 12th grade students took the SAT in the 2019-2020 school year at Carpinteria Senior High. Statewide, the number of test takers represented 33 percent of 12th grade enrollment.

Compared to the rest of California, students at Carpinteria Senior High performed exceptionally well on the SAT.

- In the 2019-2020 school year, 78 percent of test-takers from Carpinteria High met standard benchmarks on the English Language Arts portion of the test.
- On the Math section, 67 percent of students met these benchmarks.

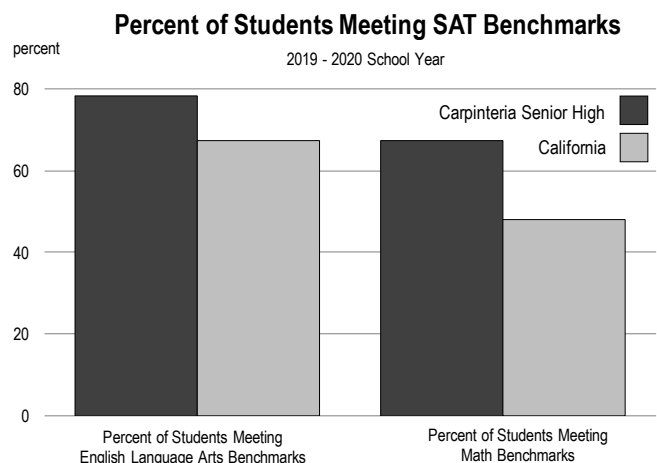
- Across California, only 67 percent of students met benchmarks on the English portion and only 48 percent met benchmarks on the Math portion.

Aside from SAT scores, California colleges consider other factors when making admissions decisions.

In order to be accepted into the California State University system, students need to have completed 15 college preparatory classes and maintained a high school GPA of at least 2.5.

For the University of California system, students need 15 college prep classes and a GPA of at least 3.0.

In the Carpinteria Unified School District, 43 percent of students met the requirements for CSU or UC admission last year.



Employment and Unemployment

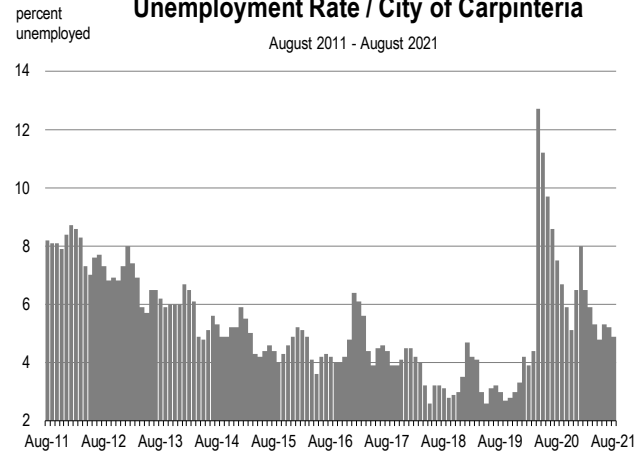
The labor market recovery in the Carpinteria Valley is well underway. Jobs are being restored across most industries, with some sectors already surpassing pre-pandemic conditions.

The unemployment rate climbed as high as 12.7 percent during the most acute phase of the Coronavirus Recession, but it has improved steadily and was measured at just 4.9 percent in August 2021.

There are a record number of job postings in the Carpinteria Valley, indicating that demand for workers is high. Openings are particularly high at the region's major firms, like Procore, Agilent, Nusil, and Albertsons.

Now that children have returned to an in-person school schedule, caregivers should have more flexibility to re-enter the job market and fill some of these open positions.

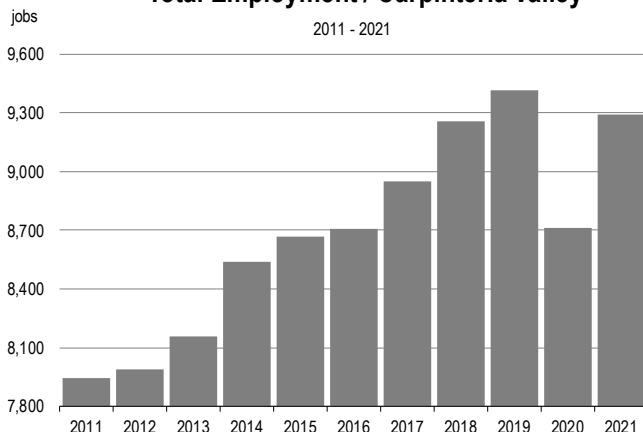
Unemployment Rate / City of Carpinteria



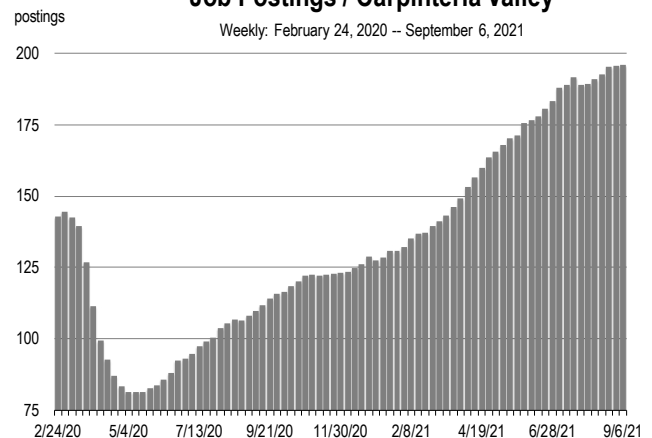
And now that enhanced unemployment benefits have ended, it is expected that low-wage workers, many of whom were earning more from unemployment payments than from their pre-pandemic jobs, will be incentivized to return to work.

During 2020, the most prominent job losses were observed in two industries – information services and accommodation & food services (i.e. hotels, restaurants, caterers, and bars).

Total Employment / Carpinteria Valley



Job Postings / Carpinteria Valley



Job Openings by Company Carpinteria Valley September 2021

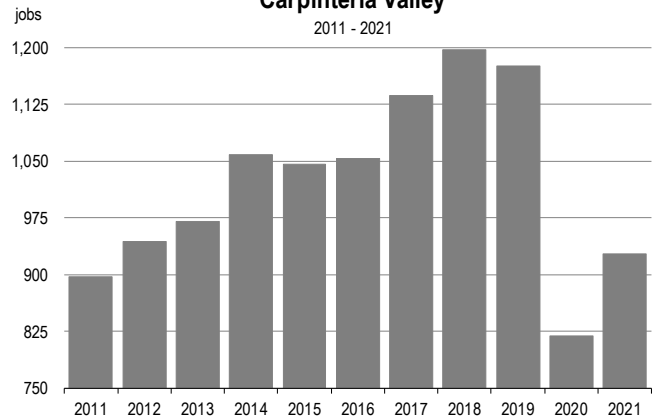
| Company | Openings |
|----------------------|----------|
| Procore | 67 |
| Agilent | 32 |
| Nusil | 14 |
| Albertsons | 14 |
| PlanMember | 10 |
| Smart & Final | 6 |
| Continental AG | 6 |
| GraVinda Senior Care | 5 |

Source: Indeed

Losses in the information sector were concentrated at Procore, which now has approximately 240 fewer employees than it did before the pandemic. The recovery in the information services industry has been slow, but Procore has dozens of new job openings, indicating that employment totals in the information sector will continue to rebound.

Job counts in accommodation & food services declined sharply in 2020 as restaurants were forced to suspend in-person dining, bars were ordered to cease operations completely, hotels were subjected to a huge decline in demand, and caterers were impacted by the cancelation of live events.

Employment in Hotels, Restaurants, Bars, Catering Carpinteria Valley

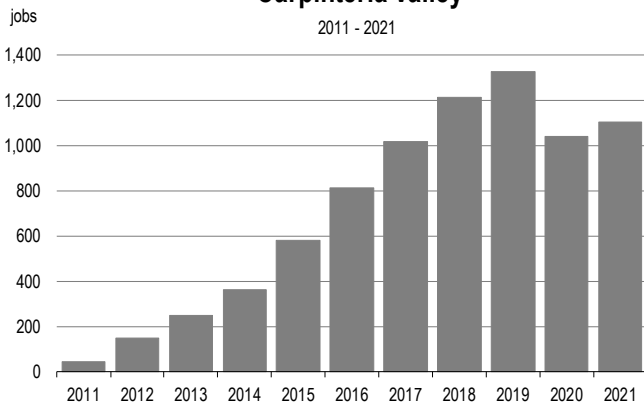


The accommodation & food services sector is in the process of recovering, but it still needs to add 240 jobs to reach full staffing conditions.

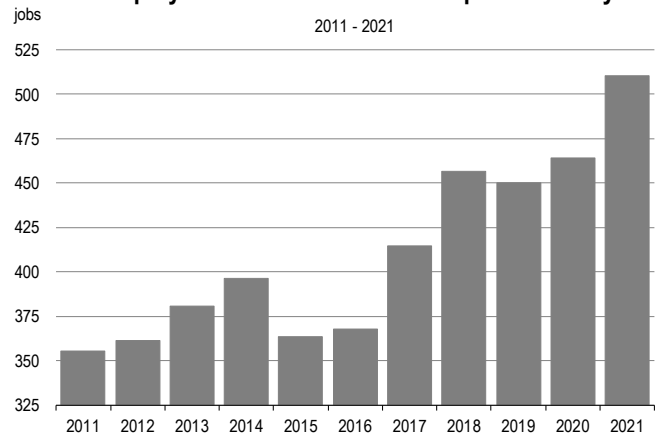
Some corners of the job market actually expanded during 2020 and 2021.

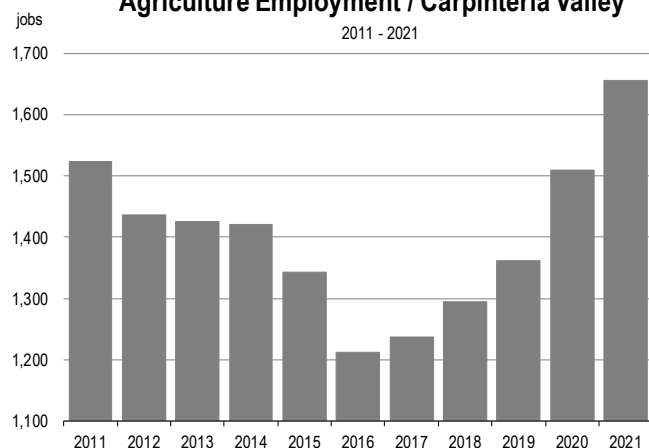
Construction companies now have more employees than any year since the Housing Bubble. A meaningful number of residential projects are under construction, and there are a large number of future projects in the planning process, suggesting that construction employment will expand further in 2022 and 2023.

Employment in Information Services Carpinteria Valley

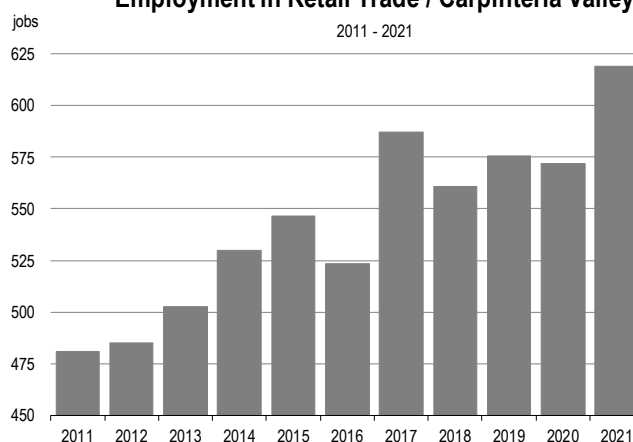


Employment in Construction / Carpinteria Valley



Agriculture Employment / Carpinteria Valley

Carpinteria has developed a growing cannabis industry, with cannabis companies occupying the greenhouses that used to grow orchids and other flowers. In 2017, these greenhouses began hiring workers to prepare for the onset of legal cannabis cultivation, and by 2021 the agriculture sector had generated more than 400 new jobs.

Employment in Retail Trade / Carpinteria Valley

Retail employment in the Carpinteria Valley was largely unaffected by the Coronavirus Recession and is now expanding. Many local retail jobs are at grocery stores like Albertsons and Smart & Final, which saw a burst of demand as households spent less time at restaurants and more time cooking.

| Employment by Sector | | | Carpinteria Valley | |
|--|--------------|--------------|--------------------|-----------------|
| Sector | 2019 | 2020 | 2021 | Fully Recovered |
| ----- number of workers ----- | | | | |
| Admin Support / Security / Landscaping | 372 | 393 | 399 | Yes |
| Agriculture | 1,362 | 1,510 | 1,656 | Yes |
| Arts / Entertainment / Recreation | 136 | 119 | 137 | Yes |
| Construction | 450 | 464 | 511 | Yes |
| Finance / Insurance | 182 | 173 | 172 | |
| Government | 564 | 514 | 561 | |
| Health Care / Social Assistance | 346 | 308 | 340 | |
| Hotels / Food Service | 1,176 | 819 | 928 | |
| Information Services | 1,326 | 1,041 | 1,104 | |
| Management Of Companies | 242 | 215 | 199 | |
| Manufacturing | 1,274 | 1,248 | 1,243 | |
| Other Services | 149 | 133 | 140 | |
| Private Educational Services | 225 | 216 | 221 | |
| Professional / Scientific / Technical | 389 | 386 | 416 | Yes |
| Real Estate / Rental / Leasing | 141 | 123 | 118 | |
| Retail Trade | 576 | 572 | 619 | Yes |
| Transportation / Warehousing | 47 | 28 | 26 | |
| Wholesale Trade | 533 | 508 | 541 | Yes |
| Total, All Industries | 9,416 | 8,715 | 9,294 | |

Source: California Labor Market Information Division and California Economic Forecast

Average Salaries

In the Carpinteria Valley, average salaries are high. When compared to compensation levels across the state, workers in the local economy typically earn much more.

This provides economic benefits for the region by supporting the real estate market and attracting a highly skilled workforce. However, it can pose challenges for the business community, as high salaries reduce the incentive for companies to establish offices and other facilities in the Carpinteria Valley.

With an average salary of \$160,300, the management industry paid the highest wages in 2021.

The information and finance sectors also pay high wages in Carpinteria. Procore, PlanMember, and AGIA lead these industries, which offer average compensation packages of almost \$100,000.

In most parts of California, the private education industry pays below-average wages because it is largely staffed by teachers and school administrators. But in Carpinteria, LinkedIn represents most private education jobs, positions that create educational videos for LinkedIn Learning. LinkedIn pays wages that are competitive with other tech firms and far exceed salaries at most private schools.

The lowest paying sector in 2021 was accomodation & food services, which is mostly comprised of hotels, restaurants, bars, and

caters. These businesses have large numbers of young workers, as well as workers without college degrees, and compensation tends to be low.

| Average Annual Salary | Carpinteria Valley |
|--|----------------------|
| Sector | 2021 Average Salary* |
| Management Of Companies | 160,300 |
| Information Services | 99,800 |
| Finance / Insurance | 98,100 |
| Professional / Scientific / Technical | 87,800 |
| Private Educational Services | 84,200 |
| Manufacturing | 79,100 |
| Government | 65,200 |
| Admin Support / Security / Landscaping | 64,700 |
| Wholesale Trade | 60,200 |
| Construction | 59,500 |
| Real Estate / Rental / Leasing | 50,900 |
| Agriculture | 47,800 |
| Transportation / Warehousing | 46,300 |
| Arts / Entertainment / Recreation | 37,800 |
| Other Services | 37,100 |
| Health Care & Social Assistance | 35,000 |
| Retail Trade | 34,300 |
| Hotels / Food Service | 25,800 |
| Total, All Industries | 60,800 |

*dollars per worker

Source: California Labor Market Information Division and
California Economic Forecast

Largest Employers in the Carpinteria Valley

In the Carpinteria Valley, the California Economic Forecast identified 12 organizations that have sizeable employee headcounts. This information was obtained through phone surveys that were conducted in September of 2021.

Many of these organizations have locations in other cities, states, and nations, but the information presented in this section is limited to jobs located in the Carpinteria Valley.

For the 12 organizations surveyed, total employment was recorded at 3,053 workers in September of 2021.

In the Carpinteria Valley, the largest employer is Procore, a firm that designs software programs

for the construction industry. Procore expanded rapidly through 2019, growing by almost 700 employees over four years.

Procore's headcount declined by almost 240 employees between 2019 and 2021, but it now has job openings for 67 new positions.

Agilent and Gigavac added the largest numbers of jobs over the last two years. Agilent, a medical diagnostics firm, increased its headcount by 25 while Gigavac, which makes parts for electronic vehicles, added 68 new workers.

In the public sector, the largest employer is the Carpinteria Unified School District. With 310 employees, it is also larger than any private organization except for Procore, Agilent, and LinkedIn.

| Largest Employers | | Carpinteria Valley | | September 2021 | |
|-------------------|--------------------------|----------------------------|-------------------------|-------------------------|--------------------------|
| Rank | Organization | Industry | 2019 Employee Headcount | 2021 Employee Headcount | Change from 2019 to 2021 |
| 1 | Procore | Software Services | 850 | 611 | -239 |
| 2 | Agilent | Medical Diagnostcs | 400 | 425 | 25 |
| 3 | LinkedIn | Private Education Services | 312 | 336 | 24 |
| 4 | Carpinteria USD | Public School District | 365 | 310 | -55 |
| 5 | Gigavac | Industrial Manufacturing | 232 | 300 | 68 |
| 6 | Nusil Technology | Silicone Manufacturing | 284 | 275 | -9 |
| 7 | Plan Member Services | Financial Services | 168 | 180 | 12 |
| 8 | Bega US | Industrial Manufacturing | 160 | 160 | 0 |
| 9 | Continental Auto systems | Automotive Lidar Design | 125 | 125 | 0 |
| 10 | Albertsons | Grocery Store | 120 | 122 | 2 |
| 11 | AGIA, Inc. | Insurance services | 120 | 119 | -1 |
| 12 | Freudenberg Medical | Medical Product Design | 90 | 90 | 0 |
| Total | | | 3,226 | 3,053 | -173 |

Source: California Economic Forecast

RESIDENTIAL REAL ESTATE



The housing market in the Carpinteria Valley is exceptionally tight and prices are rising fast.

The median price for single-family homes has reached \$1.7 million, an increase of 35 percent from the previous year.

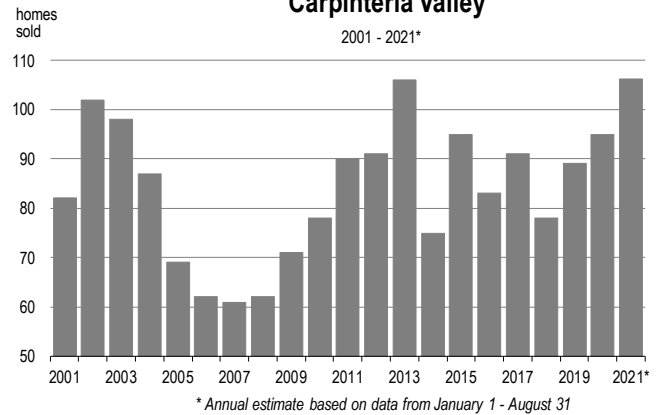
Under a backdrop of strong job creation, low interest rates, and historically sparse inventory levels, the 2021 homebuying season represents the most lopsided seller's market on record.

Half of all properties now sell above the asking price and bidding wars are common.

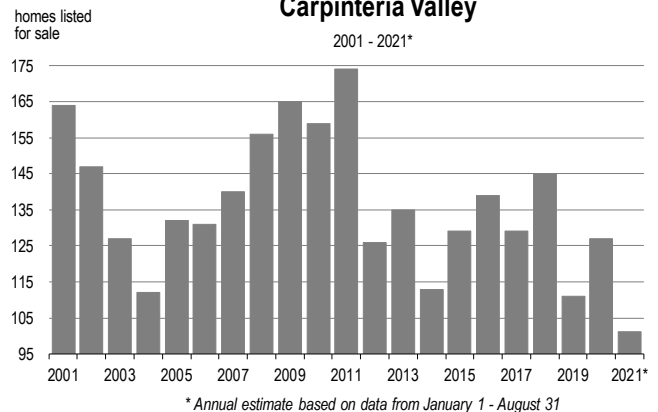
Due to rising prices, housing affordability is deteriorating. The typical mortgage payment on a newly-purchased home has climbed above \$5,800 per month, a value that represents more than 80 percent of median household income.

This means that single-family homes are out of reach for most Carpinteria households because affordability guidelines suggest that mortgage payments should not surpass 30 to 40 percent of income.

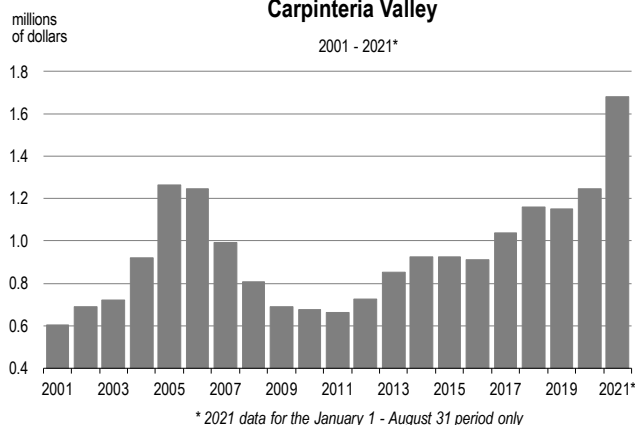
**Sales of Existing Single-Family Homes
Carpinteria Valley**



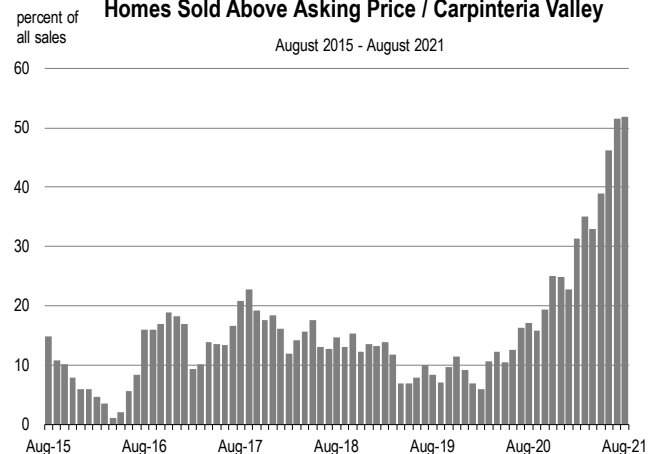
**Listings of Existing Single-Family Homes
Carpinteria Valley**

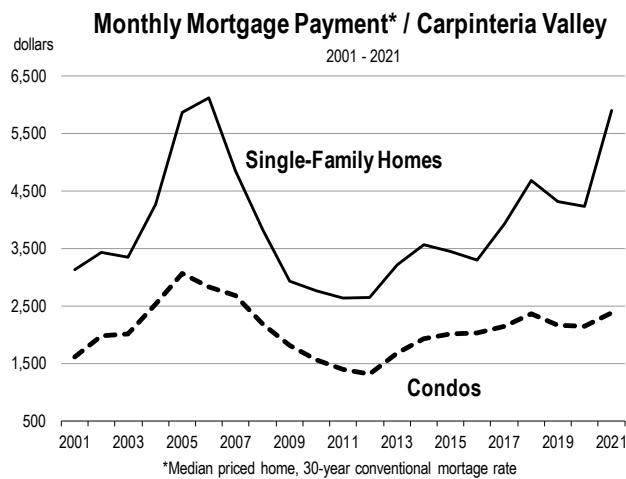


**Median Selling Price / Existing Single-Family Homes
Carpinteria Valley**



Homes Sold Above Asking Price / Carpinteria Valley

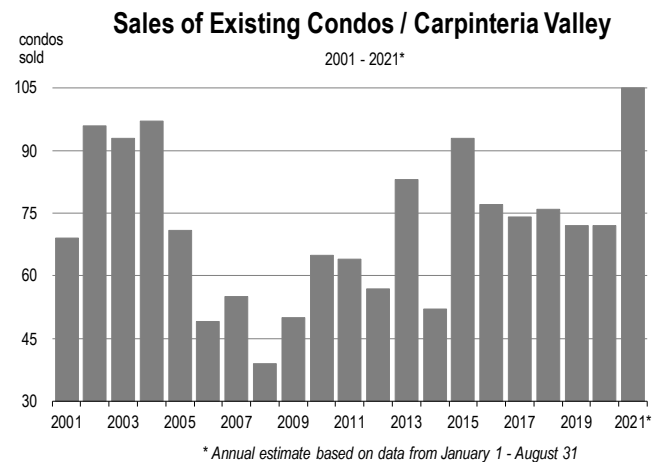
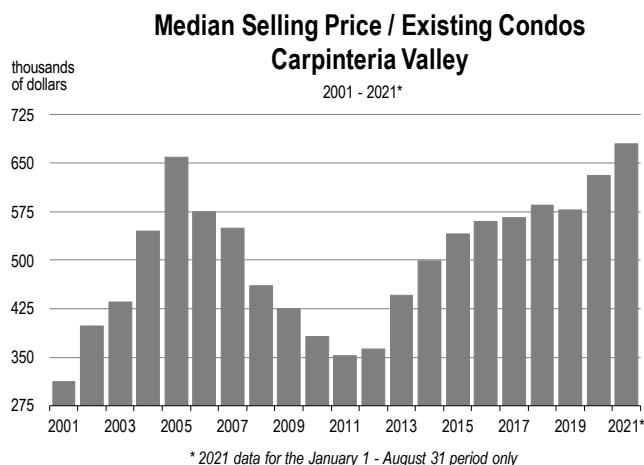




But condos and mobile homes in the Carpinteria Valley have much lower prices, providing affordable options for households that are unable to enter the traditional single-family home ownership market.

In 2021, the typical payment on the median-priced condo was only \$2,385, representing just 33 percent of median household income.

Because condos offer an affordable alternative to single-family homes, condo sales have surged in 2021.



Through the end of August, the Carpinteria Valley was on pace to record 105 condo sales, the highest level in decades.

Mobile homes are particularly prominent in Carpinteria and are often highly affordable.

Aside from rural regions, no other jurisdiction in California has a higher share of mobile homes than the City of Carpinteria.

The typical mortgage payment for mobile homes that were purchased in 2021 was just \$1,386, which is less than 20 percent of household income.

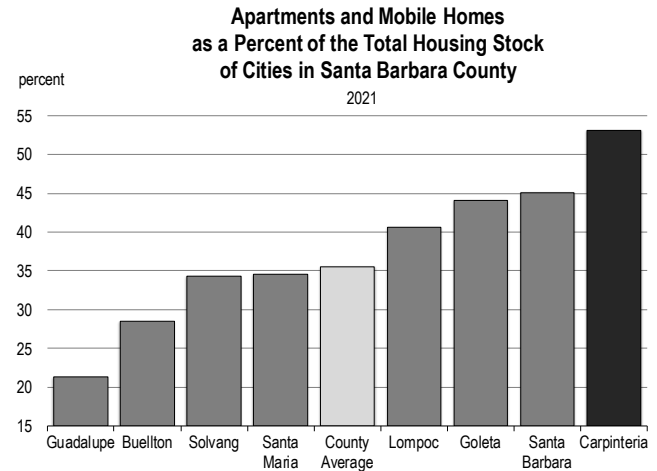
In general, home prices in Carpinteria are similar to broader South Santa Barbara County.

However, in the City of Carpinteria, 53 percent of the housing stock is comprised of apartments and mobile homes, and 3 percent is comprised of income-restricted units, indicating that there are more affordable housing options in Carpinteria than in other parts of the South Coast.

Apartment rents in Carpinteria are typically lower than in other parts of South Santa Barbara County.

The lower average rent is a benefit to workers employed in the Carpinteria Valley, and to workers in Goleta or the City of Santa Barbara that cannot afford the higher cost of living in those locations. But rental housing, like ownership housing, still represents challenging costs to carry for many households.

There are very few apartments for rent in Carpinteria today. For the sample of rentals advertised as available on Craigslist in October 2021, the median rent was \$2,525 among 2 or 3 bedroom apartments. For many households,



rental rates in this range are not affordable. Consequently, there has been out migration of lower income distribution families and individuals over time.

Carpinteria Valley Residential Real Estate

2015-2021*

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021* |
|----------------------------|---------|---------|-----------|-----------|-----------|-----------|-----------|
| Single-Family Homes | | | | | | | |
| Listings (units) | 129 | 139 | 129 | 145 | 111 | 127 | 101 |
| Sales (units) | 95 | 83 | 91 | 78 | 89 | 95 | 106 |
| Median Selling Price (\$) | 925,000 | 910,000 | 1,040,000 | 1,161,900 | 1,150,000 | 1,245,000 | 1,680,000 |
| percent change | 0.0 | -1.6 | 14.3 | 11.7 | -1.0 | 8.3 | 34.9 |
| Condos | | | | | | | |
| Listings (units) | 107 | 106 | 91 | 121 | 91 | 87 | 121 |
| Sales (units) | 93 | 77 | 74 | 76 | 72 | 72 | 105 |
| Median Selling Price (\$) | 540,000 | 559,000 | 566,000 | 585,000 | 577,500 | 631,000 | 680,000 |
| percent change | 8.2 | 3.5 | 1.3 | 3.4 | -1.3 | 9.3 | 7.8 |
| Mobile Homes | | | | | | | |
| Listings (units) | 50 | 45 | 36 | 48 | 43 | 36 | 30 |
| Sales (units) | 39 | 39 | 38 | 24 | 34 | 36 | 27 |
| Median Selling Price (\$) | 199,000 | 230,000 | 280,750 | 298,250 | 292,000 | 311,000 | 395,000 |
| percent change | 7.9 | 15.6 | 22.1 | 6.2 | -2.1 | 6.5 | 27.0 |

* Estimated with data for January 1 - August 31, 2021

Source: Santa Barbara Association of Realtors and California Economic Forecast

Office Market

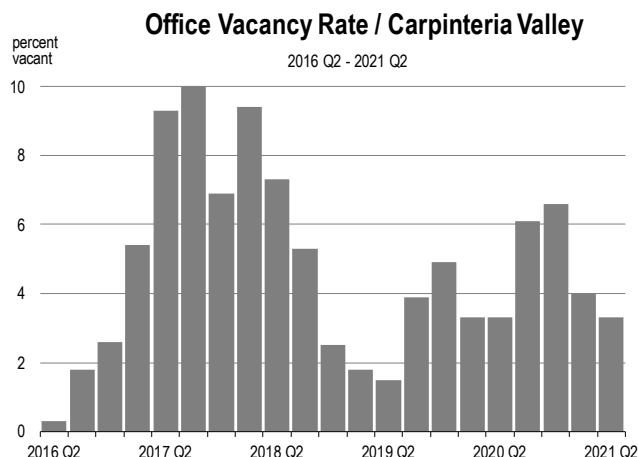
The Carpinteria office market is very tight. By July 2021, the vacancy rate had fallen to 3.3 percent, and there were only 3 spaces available for lease.

Since the onset of the Coronavirus Pandemic, the Carpinteria office market has been relatively stable.

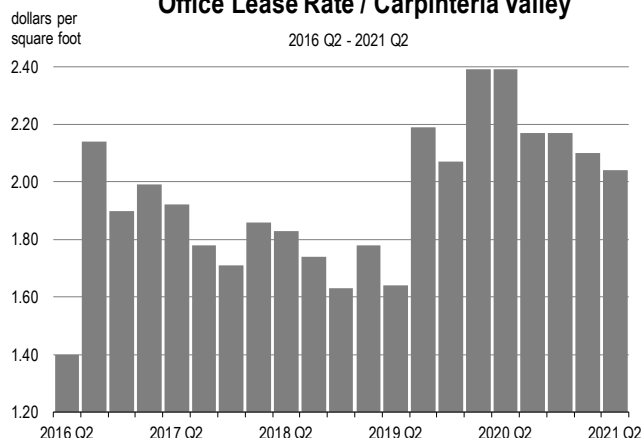
Most leasing activity has been confined to small facilities, although approximately 10,000 square feet of space was leased on Rose Lane in mid-2021.

Even though many Carpinteria employees are still working from home, most local companies have maintained their office leases. Very few office-using firms had major layoffs, and some expanded through the recession and recovery.

Procore, the most prominent office-using firm in the area, has announced that all employees will eventually be expected to return to the



Office Lease Rate / Carpinteria Valley



office, indicating that it will keep its facility on Carpinteria Ave.

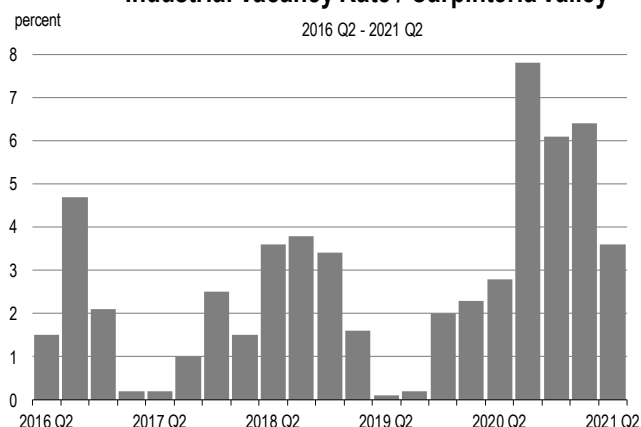
LinkedIn, on the other hand, has a new, permanent work-from-anywhere policy, opening the door to downsizing its physical footprint.

But LinkedIn's Carpinteria office is unique. Local LinkedIn employees produce educational videos that frequently require sophisticated equipment, making it likely that most Carpinteria staff members will eventually be on site.

LinkedIn also owns its 87,000 square foot campus on Via Real, decreasing the possibility that it would vacate the building entirely, but any changes to its real estate strategy could have major implications for the region.

The entire office market in the Carpinteria Valley is relatively small and has been prone to significant volatility over the years. When only two companies vacated office space---Carl Karcher Enterprises leaving in 2016 and Venoco declaring bankruptcy in 2017---the office vacancy rate soared to 10 percent.

Industrial Vacancy Rate / Carpinteria Valley



Consequently, in the event that a major office tenant such as LinkedIn or Procore were to downsize and/or change their current real estate footprint, volatility and higher office vacancy rates would likely ensue.

Industrial Market

Conditions in the Carpinteria Valley industrial market have fluctuated in 2020 and 2021, with vacancy rates rising to 7.8 percent and subsequently falling to 3.6 percent.

The vacancy rate rose in 2020 Q3 when Procore offered 53,000 square feet of space for sublease.

Procore occupies a mix of office and industrial space, and the firm's employee headcount declined sharply in 2020. Most of this space has been absorbed by other tenants, which ultimately returned the market to tight conditions.

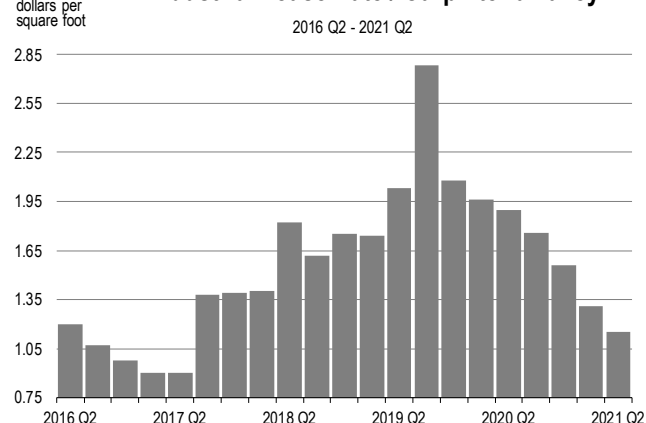
Lease rates for industrial facilities have declined consistently over the last two years, falling to just \$1.15 per square foot, making Carpinteria a much more affordable option than Santa Barbara (\$2.78 per square foot) or Goleta (\$1.61 per square foot).

Retail Market

The Carpinteria Valley retail market is unique. It does not have the big-box stores like Target and Ross that populate Santa Barbara and Goleta. Instead, it has a relatively small number of retail storefronts (fewer than 300), which are frequently "mom and pop" shops.

Due to this dynamic, the local retail market has not followed the same trends as the markets in Santa Barbara and Goleta. Carpinteria does not have an empty Nordstrom like Paseo Nuevo, and there isn't a stretch of vacant storefronts

Industrial Lease Rate / Carpinteria Valley



Retail Vacancy Rate / Carpinteria Valley



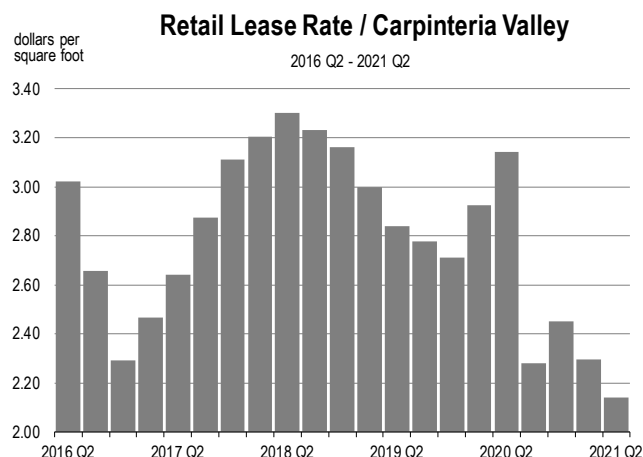
like State Street. Aside from its grocery stores, Carpinteria has very few facilities that would need to be repurposed in the event of a store closure.

Despite these factors, the Carpinteria retail market still faces challenges.

Retail sales have been declining for several years, lease rates for retail space have softened, and some stores have closed. By mid-2021, more than 6 percent of all space was vacant, a rate that is substantially higher than Santa Barbara or Goleta.

When stores have closed, they have typically been home furnishings stores, hardware stores, and garden supply stores. In each of these subsectors, the number of active storefronts has declined by at least 20 percent over the last 5 years.

At least one of these closed storefronts, at 700 Linden Ave., will soon be repurposed into a



new, state of the art facility that will be designed for the current needs of the community. This will meaningfully reduce the retail vacancy rate and augment existing retail sales and sales tax receipts in the City of Carpinteria.

The most successful retail subsector has been food and beverage stores. Over the last 5 years, the number of local food and beverage stores has expanded by 24 percent and sales have grown by 17 percent.

| Commercial Real Estate | Carpinteria Valley | | | | | 2019 Q4 - 2021 Q2 | |
|------------------------|--------------------|---------|---------|---------|---------|-------------------|---------|
| | 2019 Q4 | 2020 Q1 | 2020 Q2 | 2020 Q3 | 2020 Q4 | 2021 Q1 | 2021 Q2 |
| Office | | | | | | | |
| Lease Rate (\$ per SF) | 2.07 | 2.39 | 2.39 | 2.17 | 2.17 | 2.10 | 2.04 |
| Vacancy Rate (%) | 4.9 | 3.3 | 3.3 | 6.1 | 6.6 | 4 | 3.3 |
| Industrial | | | | | | | |
| Lease Rate (\$ per SF) | 2.08 | 1.96 | 1.90 | 1.76 | 1.56 | 1.31 | 1.15 |
| Vacancy Rate (%) | 2.0 | 2.3 | 2.8 | 7.8 | 6.1 | 6.4 | 3.6 |
| Retail | | | | | | | |
| Lease Rate (\$ per SF) | 2.71 | 2.93 | 3.14 | 2.28 | 2.45 | 2.30 | 2.14 |
| Vacancy Rate (%) | 8.1 | 7.1 | 6.5 | 6.5 | 6.5 | 6.6 | 6.7 |

Source: The Radius Group, Hayes Commercial, California Economic Forecast

RETAIL TRADE AND TOURISM

The Retail Industry

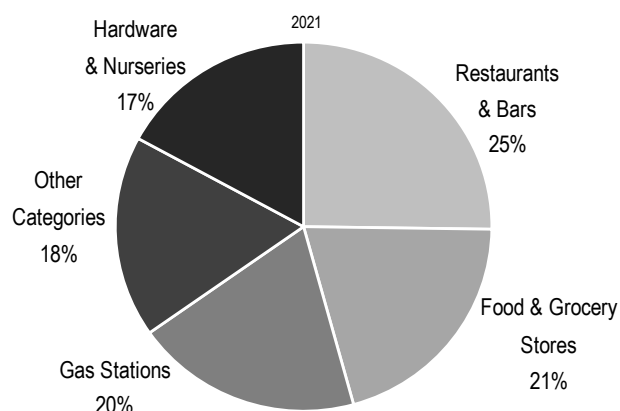
In 2020 and 2021, taxable retail sales in the City of Carpinteria declined sharply. Sales are down because restaurants were forced to operate at reduced capacities, the Avocado Festival was canceled, and the transition to online shopping has accelerated.

At restaurants, taxable sales declined by more than 30 percent in 2020. Sales have rebounded sharply in 2021 but are still below their pre-pandemic levels.

Very few restaurants closed during the pandemic, leaving a full recovery within reach.

Taxable transactions have also declined at gas stations. Even though fuel prices have reached \$4.50 per gallon, there are fewer cars on the road and fewer commuters traveling through Carpinteria between Ventura and Santa Barbara. Because fuel sales are heavily dependent on global oil prices and travel trends, sales at gas

Share of Retail Sales by Category / Carpinteria



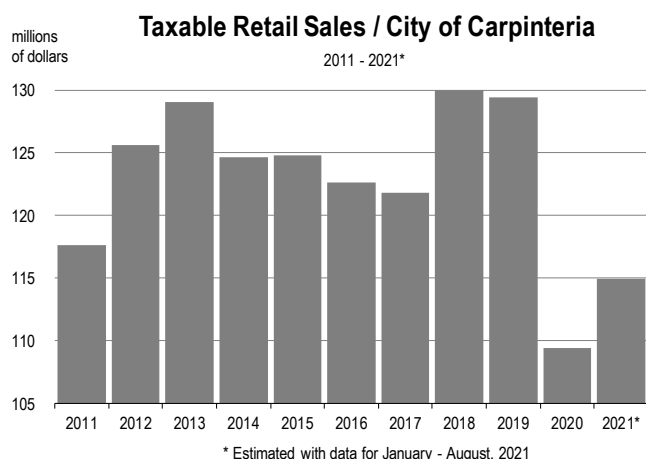
stations are often the most volatile category in the Carpinteria retail industry.

While overall retail sales have declined, some categories have improved. Grocery store transactions have increased by 10 percent as consumers spent less time at restaurants and more time cooking. Sales at auto parts stores, as well as used truck dealers, have spiked alongside an increase in prices for vehicles and parts.

The Retail-Tourism Connection

The Carpinteria retail environment is heavily dependent on tourism activity. It has been estimated that visitors to Carpinteria account for 65 percent to 85 percent of all retail sales. Since 2019, the City of Carpinteria has collected a local sales tax of 1.25 percent, meaning that visitors could contribute more than \$1 million to the City budget through sales taxes.

The annual Avocado Festival is among the most prominent contributors to the retail-tourism connection, bringing more than 75,000 visitors



to the Carpinteria Valley. These visitors spend an average of \$41 per day in the local economy, totaling \$3.1 million for the 3-day festival.

The Avocado festival was not held in 2020 or 2021. This contributed to the decline in taxable retail sales generated in the City during this period, but restoration of the event and its corresponding revenues is fully expected in 2022.

The Tourism Industry

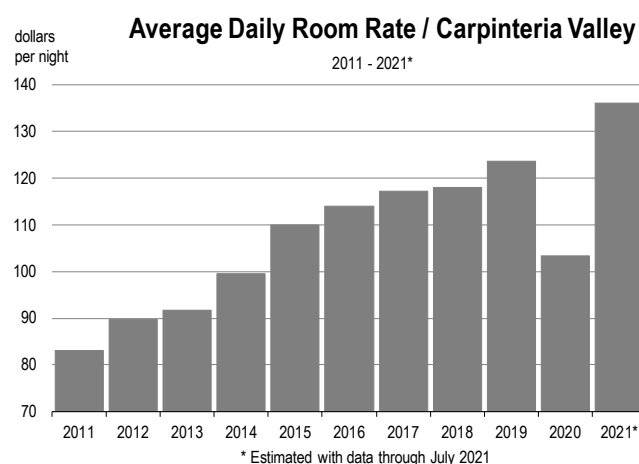
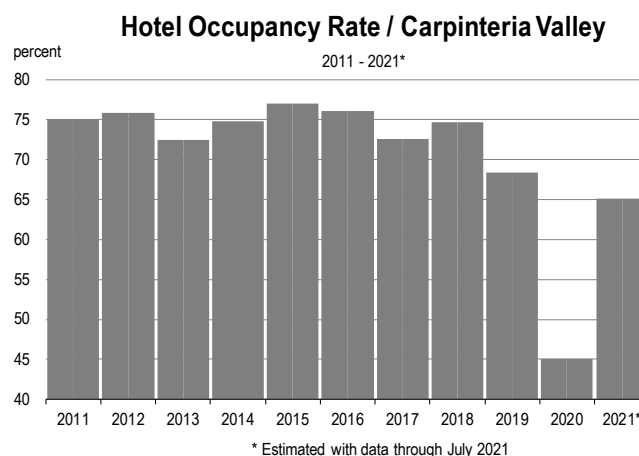
In the Carpinteria Valley, tourism is an important component of the local economy. By bringing visitors into the region, it adds to the customer base for local shops, restaurants, and recreational activities. As a result, it generates substantial revenues for the City's general fund and supports a significant number of jobs.

Carpinteria State Beach and City Beach are the principal visitor attractions to the community. State Beach annual attendance is estimated by the Park Service at just under one million visitors. Direct fees for day use and overnight camping generate \$3.4 million annually.

Hotels and Motels

There are seven transient lodging facilities within the City of Carpinteria, totaling 611 rooms. Occupancy rates are still below pre-pandemic conditions, but room rates and revenues have completely recovered.

The daily room rate in Carpinteria is expected to average \$136.10 in 2021. Room rates declined at the fastest rate on record in 2020 when travel restrictions prevented most overnight stays. But



Transient Lodging / Carpinteria

Best Western Plus

Casa del Sol

Holiday In Express Hotel & Suites

Motel 6 North Carpinteria

Motel 6 South Carpinteria

Sandyland Reef Inn

Watermark

beginning in mid-2021, when most travel restrictions were lifted, hotels were able to raise their rates to new heights.

The hotel occupancy rate is expected to average 65.1 percent in 2021, which is slightly below 2019 but much higher than the depths of 2020. In April and May of 2020, during the most restrictive period of the lockdowns, the Carpinteria occupancy rate fell as low as 21 percent. By July 2021, it had rebounded to 80.9 percent.

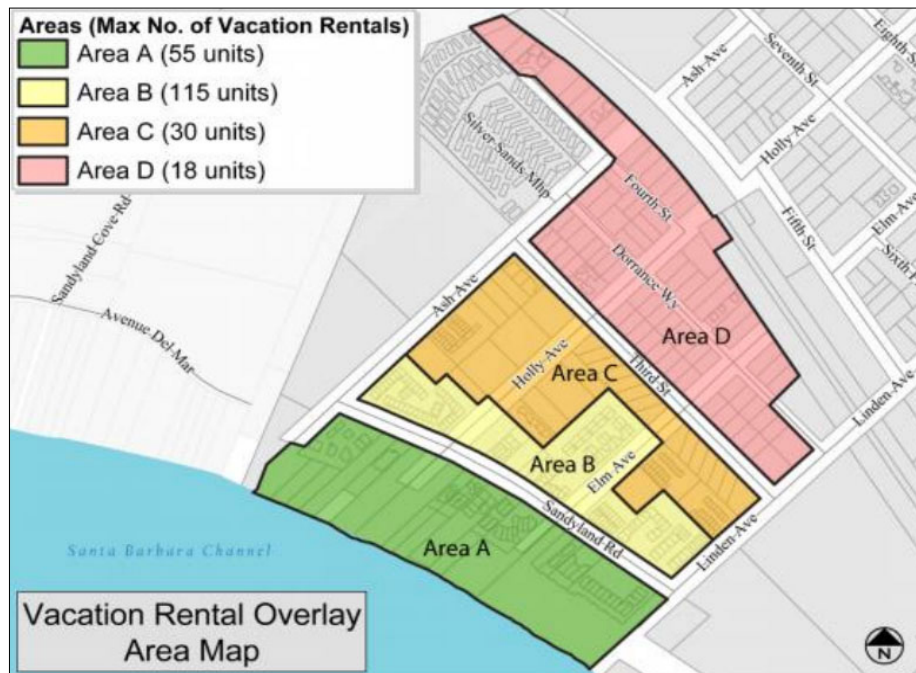
Studies show that Santa Barbara County needs more hotel rooms to meet future tourism demand. The Surfliner Inn project, by 499 Linden Managers LLC, is likely to proceed in the next year or two, adding 40 rooms to the market and meeting some of this demand.

Vacation Rentals

Vacation rentals (VRs) are private homes that are rented to tourists or other visitors for 30 days or less. They are frequently advertised on websites like Airbnb and VRBO.

The City of Carpinteria primarily allows VRs in the downtown district, near the beach. A maximum of 236 VRs can be permitted, according to the VR program rules. In 2021, there were 202 revenue-producing VRs.

The VR program began in mid-2017, and in 2018 VRs generated \$3.5 million in revenue. The VR program is on pace to record \$12.4 million in total revenue in 2021, contributing almost \$1.5 million to the city budget.



The City of Carpinteria allows a maximum of 236 vacation rentals. 218 of these are restricted to the area between Ash Ave. and Linden Ave., in between the train tracks and the beach. There are 18 vacation rentals that have been permitted outside of this area, but these permits will expire in June of 2022.



A principal attraction in Carpinteria is the State and City Beaches. Activities include swimming, camping, and exploring the tidepools. Harbor seals and other marine mammals can be seen in the area between December and May. The Carpinteria State Beach attracts an estimated 900,000 visitors each year who spend approximately \$30 million in the local economy.

LEGAL CANNABIS IN THE CARPINTERIA VALLEY



Since 2018 it has been legal to grow, process, sell, and purchase recreational cannabis in California. There are no cannabis farms or retail outlets in the City of Carpinteria, but there are several dozen businesses in the Carpinteria Valley – just outside of the City limits – that have been granted licenses by Santa Barbara County to cultivate and process cannabis.

As of September 2021, there were 29 companies in the Carpinteria Valley that were legally authorized to participate in the cannabis industry. All of these firms grow cannabis, and some also process cannabis that has already been harvested.

Most growers operate in the greenhouses that previously grew orchids and other flowers. Cannabis licenses differ by the size and type of the facility in use, but companies can combine multiple licenses to cultivate large areas.

Most greenhouse licenses in the Carpinteria Valley allow a grower to plant 5,001 to 10,000 square feet of greenhouse space, but

companies have applied for dozens of these licenses at a time. The most active firm is Valley Crest Farms, which has 38 licenses.

Some local firms have permits to process cannabis crops that have already been harvested, which allows them to trim and dry these crops, turn cannabis crops into oils or food products, and package and label cannabis products.

The 29 cannabis growers in the Valley have obtained 309 cultivation licenses and 15 processor licenses.

So far, the Carpinteria Valley has been one of the primary regions for legal cannabis cultivation in California.

Santa Barbara County has been issued more licenses than any county other than Humboldt and the Carpinteria Valley accounts for 18 percent of all licenses in Santa Barbara County.

**Cannabis Cultivation and Processing Licenses
California Counties
Sept. 23, 2021**

| Rank | County | Total Licenses |
|------------------------------------|----------------------|----------------|
| 1 | Humboldt County | 1,701 |
| 2 | Santa Barbara County | 1,671 |
| 3 | Mendocino County | 847 |
| 4 | Lake County | 706 |
| 5 | Monterey County | 535 |
| 6 | Trinity County | 415 |
| 7 | Los Angeles County | 313 |
| 8 | Kings County | 245 |
| 9 | Santa Cruz County | 179 |
| 10 | Sonoma County | 163 |
| Total Permits, all Counties | | 8,965 |

Source: California Department of Cannabis Control

**Cannabis Cultivation and Processing Licenses
California Cities and Surrounding Areas, Sept. 23, 2021**

| Rank | Area | Total Licenses | Businesses with an Active License |
|------|---------------|----------------|-----------------------------------|
| 1 | Lompoc | 419 | 13 |
| 2 | Salinas | 344 | 76 |
| 3 | Carpinteria | 324 | 29 |
| 4 | Los Angeles | 258 | 228 |
| 5 | Lemoore | 245 | 4 |
| 6 | Santa Maria | 222 | 10 |
| 7 | Buellton | 208 | 8 |
| 8 | Santa Barbara | 173 | 9 |
| 9 | Lakeport | 157 | 21 |
| 10 | Watsonville | 152 | 49 |

Source: California Department of Cannabis Control

| Cannabis Licenses by Business / Carpinteria Valley | | | | | Sept. 23, 2021 |
|--|------------------------------------|---|---------------------------------------|--|-----------------------|
| Business Name | Nursery Cultivation Licenses | ---- Greenhouse Cultivation Licenses by Size ---- | | | Processor Licenses |
| | | 2,500 sq. ft. or Less | 5,001 sq. ft. to 10,000 sq. ft. | 10,001 sq. ft. to 22,000 sq. ft. | |
| Autumn Brands LLC | 1 | 0 | 7 | 1 | 1 |
| Blue Whale Agriculture | 1 | 0 | 4 | 0 | 0 |
| Bosim 1628 | 1 | 0 | 11 | 0 | 1 |
| Ceres Farm, LLC | 1 | 0 | 32 | 0 | 1 |
| CKC Farms Inc | 0 | 0 | 4 | 0 | 0 |
| CP1 Supply Systems, Inc | 1 | 0 | 10 | 0 | 1 |
| Ednigma, Inc. | 1 | 0 | 16 | 0 | 0 |
| Farmlane | 1 | 0 | 6 | 1 | 1 |
| Flora Coast Inc. | 0 | 0 | 11 | 0 | 0 |
| G&K Produce LLC | 1 | 0 | 14 | 0 | 1 |
| Island Breeze Farms LLC | 1 | 0 | 7 | 1 | 1 |
| JJ Agriculture | 0 | 0 | 4 | 0 | 0 |
| K&G Flowers LLC | 0 | 0 | 14 | 0 | 0 |
| Life Remedy Farms | 1 | 0 | 5 | 0 | 0 |
| Mediedibles, Inc. | 1 | 0 | 5 | 0 | 1 |
| Melodious Plots Inc | 0 | 0 | 18 | 0 | 0 |
| Glass House Farms | 0 | 0 | 9 | 0 | 1 |
| New Generation Farms | 0 | 0 | 4 | 0 | 0 |
| New Horizon Farming | 1 | 0 | 3 | 0 | 0 |
| No legal business name provided | 0 | 0 | 2 | 0 | 0 |
| Ocean Hill Farms LLC | 1 | 0 | 10 | 1 | 1 |
| OGCC LLC | 0 | 0 | 0 | 1 | 0 |
| Olivella, Inc. | 0 | 1 | 0 | 0 | 0 |
| Orbiter Blooms | 0 | 0 | 6 | 0 | 1 |
| Primetime Farms Inc | 1 | 0 | 6 | 0 | 1 |
| Saga Farms | 0 | 0 | 9 | 0 | 0 |
| Cresco California | 1 | 0 | 22 | 0 | 1 |
| Twisted Roots Inc | 1 | 0 | 10 | 0 | 1 |
| Valley Crest Farms, LLC | 0 | 0 | 38 | 0 | 1 |
| Total Permits | 16 | 1 | 287 | 5 | 15 |

Source: California Department of Cannabis Control

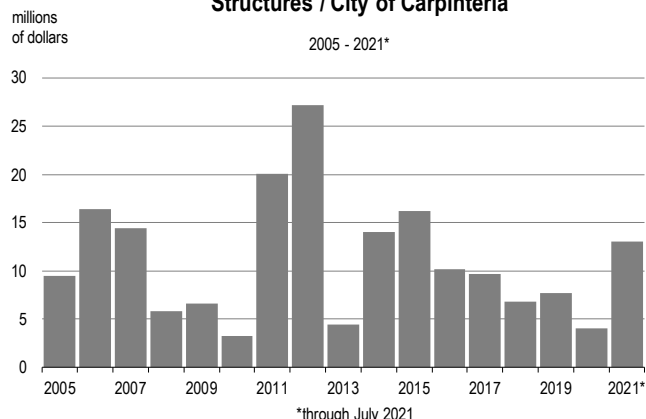
NEW DEVELOPMENT

Residential development in the City of Carpinteria has been sparse for most of the last decade, but 2021 is shaping up to be relatively prolific. Through July, a total of 11 units have been authorized, representing a meaningful increase from 2019 and 2020.

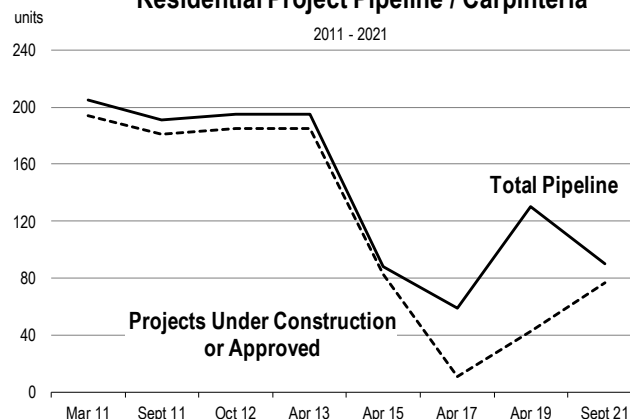
Through July 2021, total investment in residential and commercial structures has been recorded at \$13 million. Most investment spending in 2021 has been due to the renovation of existing commercial and industrial structures (\$8.1 million), with relatively little spending on new commercial and industrial structures. Approximately \$4.8 million has been spent building new single-family homes.

There are 103 residential units in some stage of the planning process, and 77 of these units have been approved. There are also 246,973 square feet of commercial and industrial space in the pipeline, with approval already granted to 102,170 square feet of space.

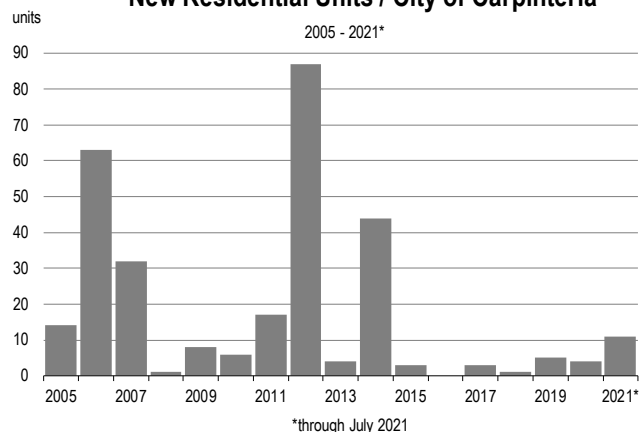
Total Investment in Residential and Non-Residential Structures / City of Carpinteria



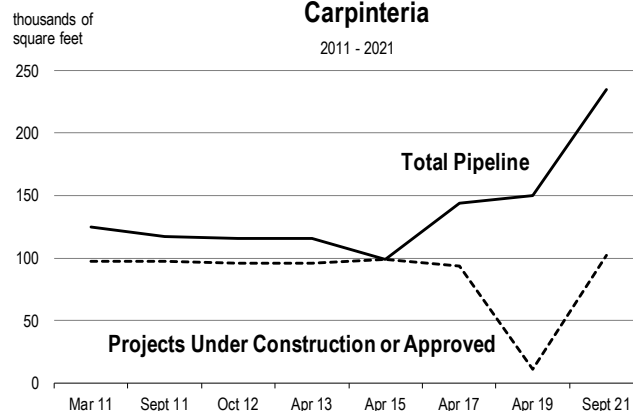
Residential Project Pipeline / Carpinteria



New Residential Units / City of Carpinteria



Commercial & Industrial Project Pipeline Carpinteria



Granvida Phase II Expansion

The Granvida Phase II Expansion project is a 50-unit assisted living facility originally proposed in 2018. The site is situated at 5464 Carpinteria Avenue.

The project features a 2-story building containing 11 studio units (averaging 370 square feet), 33 one-bedroom units (580 square feet) and 6 two-bedroom units (800 square feet).

The project has been approved and could break ground by 2023 or 2024.

Faith Lutheran SFDs

The Faith Lutheran SFDs project proposes the construction of 5 single-family detached residential units averaging 2,663 square feet per

unit. The project also features a 6,384 square foot church on a 62,125 square foot lot.

The project is located on 1335 Vallecito Place and was approved in December 2018. The project is under construction and is expected to be completed in Spring 2022.

Vernon Residences

The Vernon Residences project could produce 5 new residential units at the terminus of Maple Avenue, adjacent to Island Brewing Company. The area has a mix of commercial, industrial, and residential facilities, and is within walking distance to the Carpinteria Amtrak station.

The project was proposed conceptually on August 12, 2021 and the City is awaiting a formal application from the developers.



Granvida Phase II Expansion | source: Noozhawk

Sanctuary Beach Condominiums

The Sanctuary Beach Condominiums project proposes to construct 4 new condominium units on a lot formerly occupied by Norman's Tennis Courts. The units would average 2,300 square feet of residential space.

The project is located at 4925 Carpinteria Avenue and was initially approved in November 2015. The City of Carpinteria reapproved the project in March 2019, and the project is currently under construction.

Klentner Condominiums

The Klentner Condominium project involves the demolition of two existing residences and the construction of four new condominium units. The project is located at 1075 Cramer Road.

Construction of the project is nearly complete, and the Certificates of Occupancy for the new units will be issued before the end of the year.

Zins Condominiums

The Zins Condominium project is located at 4905 Eighth Street, on the corner of Elm Avenue. The project would demolish an existing single-family residence and construct three new condominium units.

The project is under review for application completeness and should be scheduled for review by the City's Architectural Review Board by the end of the year. The project will need

Planning Commission review and approval to move forward.

Phari Condominiums

Phari, LLC plans to build 4 new condos on an existing residential lot at 1112 Linden Avenue, near the Highway 101 overpass. The lot currently contains 2 single-family homes and an additional residential unit, and these structures would be converted into 4 condos.

The project received building permits in July 2021 and is under construction.

Lagunitas Mixed Use Project

The Lagunitas project contains an 85,000 square foot office building that was approved in 2012. The project received final review by the City's Architectural Review Board in October 2019, and the developers are in contact with the City to obtain building permits for the project in the near future.

Via Real Hotel

The project site for this proposed 72-room hotel is located on Via Real between Santa Monica Road and Cravens Lane.

The hotel would be two stories in height and encompass 44,191 square feet of total space. It is expected to be operated as a Fairfield Inn and Suites by Marriott.



M3 Mixed Use Project | source: CoastalView.com

The Architectural Review Board recommended the project for preliminary approval in March 2017. The next step for the project is to complete the environmental review process, before planning commission review early next year.

M3 Mixed Use Project

This mixed-use project has been approved for a 6,488 square foot building to be located at the corner of Carpinteria Avenue and Holly Avenue.

The ground floor commercial space (approximately 3,000 square feet) will be home to Renaud's Patisserie & Bistro. The second floor will be the new home of M3's corporate offices as well as 2 one-bedroom apartments.

The project is currently in review with the Building & Safety Division and is anticipated to begin construction early next year.

Carpinteria Sanitary District HQ

The Carpinteria Sanitary District HQ project was approved in June 2018.

The project involves the demolition of existing modular offices and the construction of a new 4,118 square foot office building.

The project is located on 5300 6th Street and is currently under construction.



Surfliner Inn | source: City of Carpinteria

Surfliner Inn

The Surfliner Inn would be a new hotel on Linden Avenue, directly adjacent to the Amtrak Station. The project concept calls for 40 rooms and a café, and it would be accompanied by a new parking lot.

The project was initiated by the City of Carpinteria in 2018, and an LDPA was

established in 2021 with 499 Linden Managers LLC. Next, it will go through the regular development review process.

According to a 2016 study commissioned by the City of Carpinteria, Santa Barbara County needs to build thousands of hotel rooms to meet future travel demand. The Surfliner and Via Real projects will contribute to this goal.

| Mixed-Use Projects | | | Carpinteria | September 2021 |
|------------------------|-----------|------------------------|----------------------------------|--------------------|
| Project Name/Developer | Res Units | Commercial Square Feet | Description | Status |
| Faith Lutheran SFDs | 5 | 6,384 | Single Family Units and a Church | Under Construction |
| Prins Mixed Use | 4 | 3,236 | Residential / Commercial | Proposed |
| Cruz Mixed Use | 2 | 500 | Apartments / Commercial | Proposed |
| M3 Mixed Use | 2 | 6,668 | Apartments / Office / Retail | Approved |
| Lagunitas Mixed Use | n/a | 85,000 | Office Building | Approved |
| Total | 13 | 98,552 | | |

Source: City of Carpinteria and California Economic Forecast

| Residential Projects | | Carpinteria | September 2021 |
|------------------------------|-------|---|--------------------|
| Project Name/Developer | Units | Description | Status |
| GranVida Phase II Expansion | 50 | Assisted Living Facility | Approved |
| Vernon Residences | 5 | Residential Units | Proposed |
| Klentmer Condominiums | 4 | Demish 2 SFDs and Build 4 Condos | Under Construction |
| Phari Condominiums | 4 | Convert Existing SFD & ADU Into 4 Condos | Under Construction |
| Sanctuary Beach Condominiums | 4 | Condominium Units | Under Construction |
| Saticoy Condominiums | 4 | Demolish SFD and Build 4 Condos | Proposed |
| Finnigan Apartments | 3 | Apartments | Proposed |
| Finnigan Apartments | 3 | Apartment Units | Proposed |
| Zins Condominiums | 3 | Demolish SFD and Build 3 Condos | Proposed |
| Cruz Mixed Use | 2 | 1BD Apartment Units | Proposed |
| Haber Condominiums | 2 | Subdivide Existing SFD Lot and Construct 2 Condos | Approved |
| Able Second Unit | 1 | Second Unit on Existing Lot | Under Construction |
| Gobbell Second Unit | 1 | Second Unit on Existing Lot | Approved |
| Hawkins SFD | 1 | New Single-Family Unit on Vacant Lot | Under Construction |
| Stein Second Unit | 1 | Second Unit on Existing Lot | Under Construction |
| Strickland SFD | 1 | Convert 2 Apts into a Single-Family Unit | Under Construction |
| Wood SFD | 1 | New Single-Family Unit on Vacant Lot | Approved |
| Total | 90 | | |

Source: City of Carpinteria and California Economic Forecast

| Commercial Projects | | Carpinteria | September 2021 |
|--------------------------------------|-------------|---|--------------------|
| Project Name/Developer | Square Feet | Description | Status |
| Via Real Hotel | 44,191 | 72-Room Hotel | In EIR Process |
| Barton Myers Office (Punto de Vista) | 43,766 | New 2-Story Office Building | Proposed |
| Surfliner Inn | 36,118 | 40-Room Inn and Café | Proposed |
| McCann Mini Storage | 12,192 | 113 New Mini-Storage Units | Proposed |
| Carpinteria Sanitary District HQ | 4,118 | Office Building | Under Construction |
| 700 Linden Adaptive Reuse Project | 3,176 | Retail, Restaurant, and Office Space | Proposed |
| King Ventures/Autocamp | 2,700 | 26-Space Airstream Campground & Clubhouse | Proposed |
| Family Baptist Church School | 2,160 | School | Proposed |
| Total | 148,421 | | |

Source: City of Carpinteria and California Economic Forecast

QUALITY OF LIFE INDICATORS

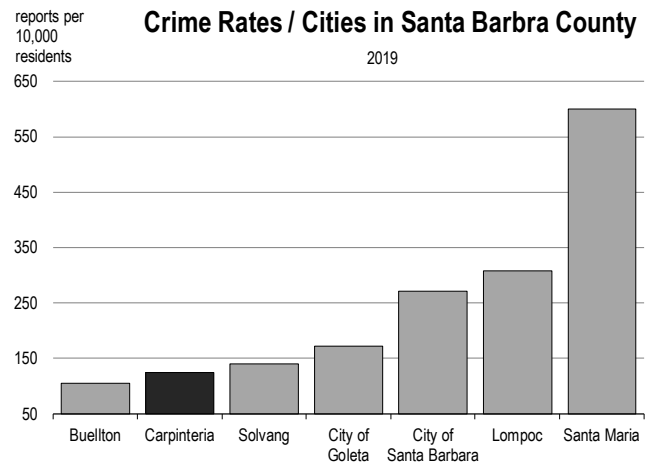


The social environment of the Carpinteria Valley directly affects local business progress and performance, and quality of life indicators impact the desirability of real estate assets in the region. Public safety, traffic, and commute times are important features of this environment, and are examined by referencing published information on local crime rates, traffic volumes, and commute patterns.

Crime

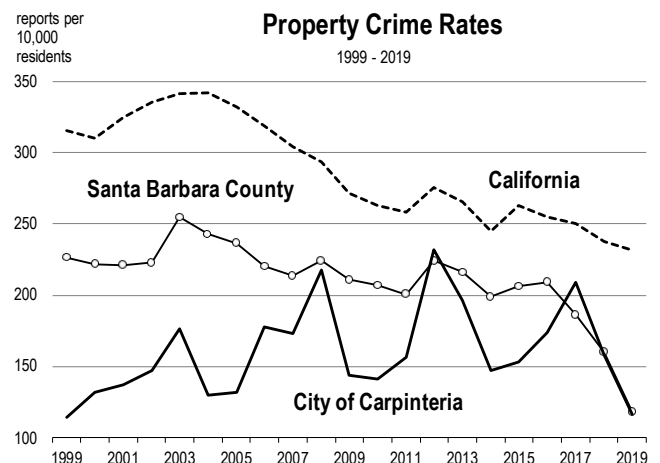
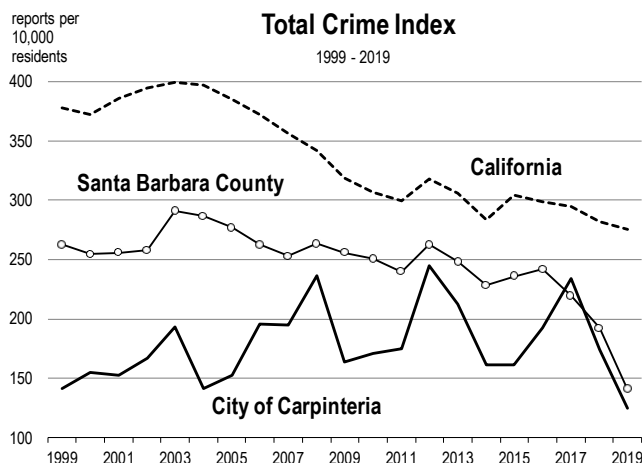
In the City of Carpinteria, crime rates have been very low for the last 20 years. Carpinteria has some of the lowest crime rates in Santa Barbara County, placing it among the safest cities in California.

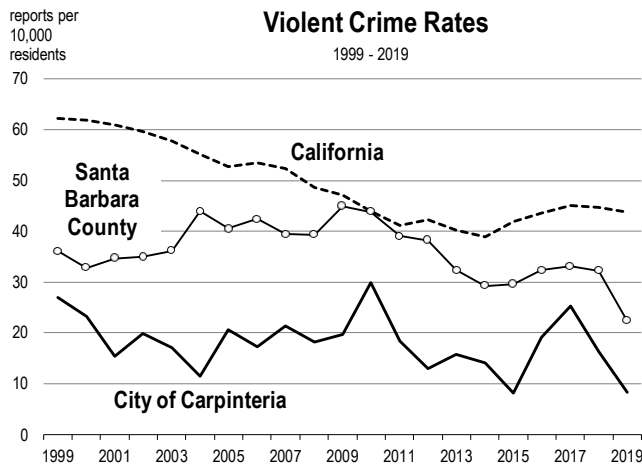
The broadest measure of crime, the Total Crime Index, is the sum of the following crime categories: homicide, rape, robbery, aggravated assault, burglary, motor vehicle theft, larceny, and arson.



As of 2019 (the most recent year for which data is available), a total of 125 crimes were reported for every 10,000 residents in the City of Carpinteria, making 2019 the lowest crime year on record.

For small cities, including Carpinteria, crime rates fluctuate from year-to-year, so it's important to look at long-term trends. For Carpinteria, the trend is clear – crime rates have been low for many years.





Carpinteria also has lower crime rates than most cities in Santa Barbara County. In 2019, crime rates ranged from 106 in Buellton to 600 in Santa Maria, with an average rate of 141 countywide.

The City of Santa Maria had the highest property crime rate while Buellton had the lowest rate in Santa Barbara County.

There were only 8 violent crimes per 10,000 residents in Carpinteria in 2019. A rate below 10 indicates that violent crime is exceptionally uncommon.

In Santa Barbara, Lompoc, and Santa Maria, violent crime rates exceeded 40 in 2019.

Traffic and Commuting

Traffic Counts

Traffic counts reveal information about road usage and can provide insight into economic, demographic, and lifestyle trends.

In general, traffic counts decline during periods of economic weakness and grow during periods of strength. This occurs for several reasons, including the increased shipment of goods, a larger number of individuals driving to work, and higher disposable incomes that can be spent on transportation.

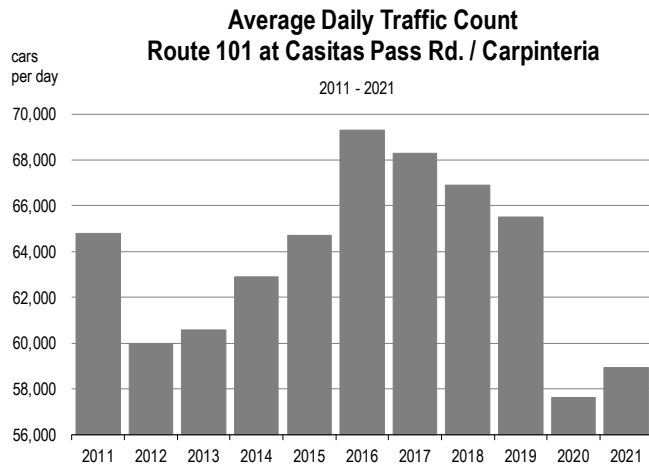
Traffic levels can affect the living standards of a community. High levels of traffic can cause congestion, leading to longer commute times and lower resident satisfaction. By contrast, low traffic volumes can lead to improved living standards.

As a general rule, Carpinteria tends to have much lower levels of road usage than surrounding regions, and during most times of the day, driving around the city is relatively easy.

But peak hour traffic can be heavy, and people who commute from Carpinteria to Santa Barbara or Goleta can encounter high levels of congestion. This issue has been exacerbated by construction projects on Highway 101.

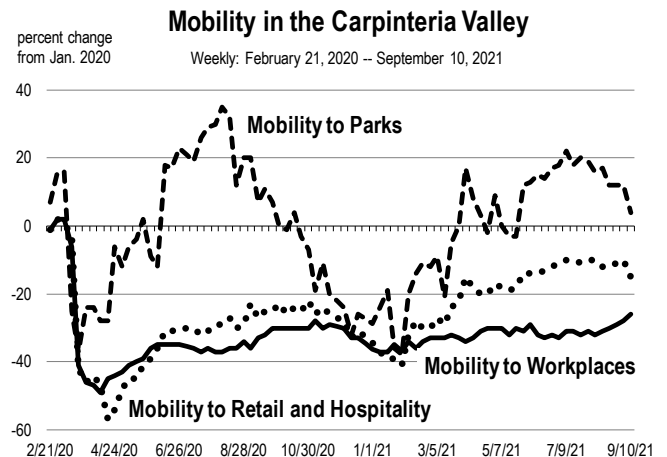
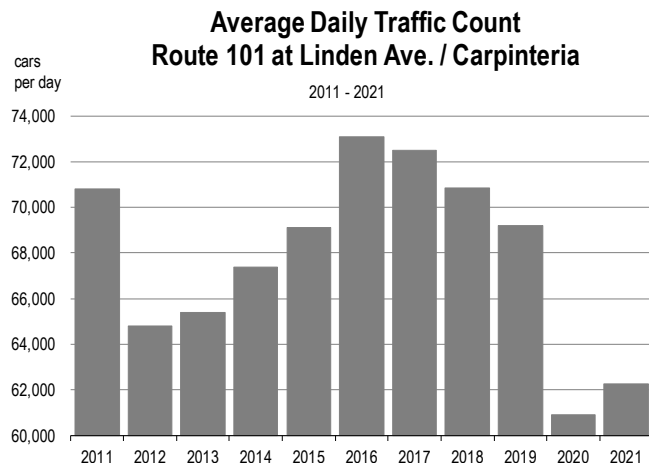
In order to get around construction points, drivers have been exiting Highway 101 and using the city streets in Carpinteria, leading to traffic problems that are often severe. Once the Highway 101 construction projects are finished, it is expected that this peak hour congestion will improve significantly in Carpinteria.

Caltrans estimates traffic counts for state highways, including interstates and routes. Annual average daily traffic is the total traffic volume for the year divided by 365.



Traffic volumes were heavily impacted by the Coronavirus Pandemic. Due to layoffs and work-from-home arrangements, there have been far fewer daily commuters since March 2020, leading to reductions in weekday road usage.

But by mid-2021, weekend traffic along Highway 101 had exceeded pre-pandemic conditions and had become excessive, with weekend travel between Los Angeles and Santa Barbara increasing substantially. Before the pandemic, traffic was typically heavy on Saturday morning in the Northbound direction and Sunday afternoon in the Southbound direction. In the summer of 2021, Highway 101 has been congested at virtually all times on the weekends.

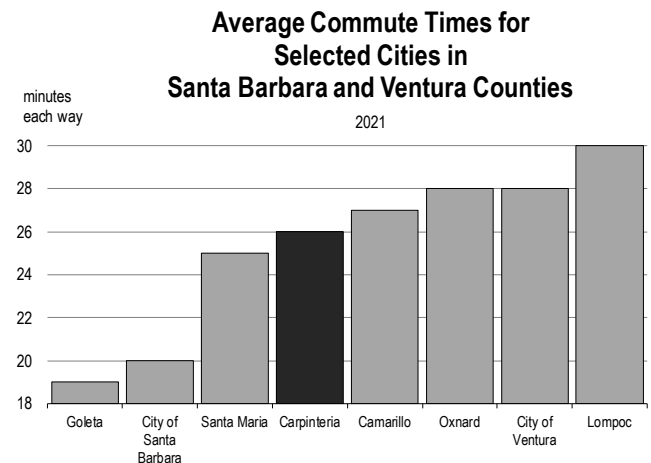


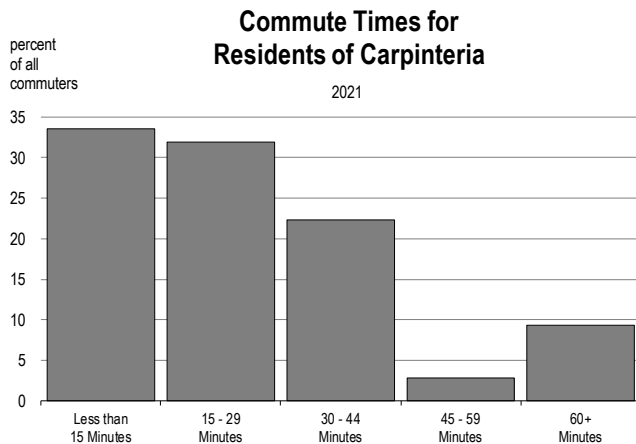
Average Commute Time

In 2021, workers who lived in Carpinteria had an average commute time of 26 minutes. By comparison, residents of other parts of the South Coast spent less time commuting, while residents in nearby Ventura County had longer commutes.

For residents of Ventura, Camarillo, and Oxnard, commute times averaged 27 or 28 minutes each way.

Lompoc residents spent the most time commuting in 2021. Many people from Lompoc commute all the way to Santa Barbara, and the





average Lompoc commuter spent 30 minutes in the car each way.

Commute times vary for Carpinteria residents, with most spending fewer than 30 minutes traveling to work. Approximately 22 percent spend 30-44 minutes on their trip to work, and only 6 percent commute for longer than 45 minutes.

Highway 101 Widening Project

In an effort to improve local congestion and freeway access in Carpinteria, construction is underway on Highway 101 between

Santa Barbara and Carpinteria. The highway interchanges at these junctions will be updated with new bridges and freeway ramps, and a third lane will be added to Highway 101 in each direction.

This project is a partnership between Caltrans, the Santa Barbara County Association of Governments, and the City of Carpinteria.

Via Real will be connected across Carpinteria Creek through a new roundabout up to Linden Ave. New bridges will be built over Carpinteria Creek on Highway 101 and Via Real, and four new sound walls will be built to reduce freeway noise in nearby neighborhoods. Bike and pedestrian improvements will also be added along Via Real, connected along Carpinteria Creek, and on the bridges over Linden Ave. and Casitas Pass Rd.

Construction started in the fall of 2016. It will continue through at least 2023 near Carpinteria, and through at least 2024 on the sections of Highway 101 to the north of the City, past North Padaro Ln.



Highway 101 construction | source: CoastalView.com



Phases of the Highway 101 construction project

Acknowledgements

This publication was prepared for the City of Carpinteria in September 2021. The Profile is intended to provide annually updated economic, demographic, and quality of life information about the Carpinteria Valley.

California Economic Forecast

Ben Wright, M.A.
 Author, Industry Analysis
 Yuma Schuster
 Largest Employers
 Mark Schniepp, Ph.D.
 Principal Author & Editor

Databank Contributors

California Department of Cannabis Control
 California Department of Tax and Fee Administration
 California Department of Education
 California Department of Finance
 California Department of Transportation
 California Employment Development Department
 CIRB
 City of Carpinteria
 Steve Goggia
 Sudni Souter
 Claritas
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